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Factors affecting the choice of a cosmetic brand: a case study of Skinfood Ltd

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Factors affecting the choice of a cosmetic brand:
A case study of Skinfood Ltd

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Consumers are becoming more and more careful in selecting the cosmetic brands they use today. Women are fond of a cosmetic brand and trust it, because they believe in its superiority. How a brand is perceived affects customers' choices and the success of the brand. Companies attempting to enter cosmetic markets should be aware of what the key factors affecting the consumer's choice of a cosmetic brand are, and then develop a corresponding brand strategy, which can create brand equity for their products and services.

This thesis was commissioned by the case company Skin Food to understand the needs of the cosmetic market, and trends in the status and development of consumer's requirements for cosmetic brands in the target area.

The author conducted this marketing research in the form of a questionnaire to achieve the thesis objective: to determine the factors affecting women's choice of cosmetic brands in the research area (Beijing Wangfujing Department Store). By collecting opinions from consumers towards cosmetic brands which they use and need at present, as well as evaluating the brand awareness of the case company's brand, the author obtained useful information and beneficial methods for the case company. The research results are useful for the case company in its attempts to formulate a new brand strategy, improve its customer loyalty and expand its business opportunities.

The result of this research shows that: the majority of respondents consider that brand awareness influences their buying decision very much. The second influencing factor is the quality of products; and the third is price. So creating strong brands, and maintaining and enhancing the strength of the brand equity over time, is a management imperative for the Skin Food Company.

Key words: cosmetics, brand equity, brand awareness, Skin Food

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1 Introduction

1.1 Study Background

Cosmetics have been used by women for thousands of years. At present, benefiting from the accelerated process of urbanization as well as the improved disposable income of residents, consumers have displayed growing demand for beauty and cosmetics. As more and more consumers incline to present impressive images in public by beautifying themselves, the cosmetic industry is today becoming a billion dollar industry. Every year, women are responsible for consuming millions of cosmetic products.

To remain competitive, some companies feel the pressure to come out with innovative products and grab the customer's attention. In essence, what consumers care most is the cosmetic brand. Consumers are getting more and more conscious in selecting the cosmetic brands they use in this day and age.

Keller (2012) states that ever more firms and other organizations have come to the realization that one of their most valuable assets is the brand names associated with their products or services. In our increasingly complex world, all of us, as individuals and as business managers, face more choices with less time to make them. Thus a strong brand's ability to simplify decision making, reduce risk, and set expectations is invaluable.

As many business executives correctly recognize, perhaps one of the most valuable assets a firm has are the brands it has invested in and developed over time. Although competitors can often duplicate manufacturing processes and factory designs, it is not so easy to reproduce strongly held beliefs and attitudes established in the minds of consumers. The difficulty and expense of introducing new products, however, puts more pressure than ever on firms to skillfully launch their new products as well as manage their existing brands. (Keller 2012, 21)

Therefore, companies attempting entering into cosmetic markets should be aware of what are the key factors affecting consumers' choice of a cosmetic brand, and then develop corresponding brand strategy, which can create brand equity of their products and services, and build long-term customer loyalty.

1.2 Case Company Brief

Skin Food is a brand of skincare and cosmetics in South Korea. It is a skincare and cosmetics manufacturer and retailer, headquarter in Seoul. The founder of the company has operated the skincare business since 1957. The main concept of the company is to create products with nutritional values of food. The company slogan is "beauty food for the urban sweeties". Skin Food delivers complete nutrition to the skin by carefully selecting foods that will enhance the skin's natural beauty, while also maintaining its youthfulness for years to come.

Skin Food's products range from makeup, skin care, body and hair products. They use natural food and produce in its original form as ingredients, which include fruits, vegetables and other food ingredients. Their product lines include Salmon Dark circle Concealer Cream, Black Sugar Mask Wash-Off, and the Omija Whitening Line, which is packaged with teabag toner, whitening emulsion, serum and creams. Other products include Aloe Sun BB cream, Peach Sake skincare line, Rice Mask Wash-Off, Coffee Body Scrub and Carrot Collagen Eye Sheet. Their packaging is inspired by plastic containers for condiments and foods, which also includes labels and instructions in English. (Korea Times 2013).

In 2010, Skin Food established branch company in China. This is the first food cosmetic brand developed with a differentiated unique concept of 'food' in Chinese market. So far Skin food owns more than 200 shops in more than 100 Cities in China.

1.3 Purpose of the Thesis

The purpose of this thesis project is to find out what are the key factors influencing women choose of cosmetic brands in the research area (Beijing Wangfujing Department Store), get some useful information and beneficial methods for the case company by analyzing research results. The final goal was building and maintaining brand equity for SKINFOOD Company in a fiercely competitive selling environment.

The main initiative is to understand the present brand concept of marketing programs and activities to build, measure, and manage brand equity while implementing an innovative brand strategy plan for the case company to make it suit the fast-changing marketing trend and promote customers' brand loyalty.

1.4 Research Problems

In order to better achieve the goal of the thesis, this research work will try to find answers to the following research questions:

1. What are the factors affecting consumers choice of a cosmetic brands in Beijing Wangfujing Department Store?
2. How can case company (SKINFOOD) create profitable brand strategies in target market?
3. How can case company (SKINFOOD) sustain brand equity to expand business opportunities?

1.5 Research approach and theoretical approach

In the process of thesis writing, both quantitative and qualitative research method are being used to demonstrate the research topic.

According to Aliaga and Gunderson (2000), quantitative research is explaining a phenomenon by collecting numerical data that are analyzed using mathematically based methods (in particular statistics). Data for quantitative analysis are collected and subsequently coded at different levels of numerical measurement.

Qualitative research is based on meaning expressed through words. The results of qualitative research in the collection of non-standardized data require classification and are analyzed through the use of conceptualization.

The author will use marketing research in the form of questionnaire to achieve thesis objective: find factors affecting choice of a cosmetic brands. The questionnaire aimed to collect opinions from customers in Beijing (China) Wangfujing department store towards brands and popular cosmetic products these days, especially the case company's brand: SKINFOOD.

Based on the results of the study, the author will be able to help the case company understanding the current ideas of cosmetic brands. These results are also useful for the case company to make the new marketing strategy and improve its brand equity.

As to theoretical approach, the author will discuss three theoretical focuses in the thesis, they are: Brand Concept and Brand Equity Concept; Factors Affecting Customers Choice of a brand; Customer- Brand Relationships.

The concept of brand and brand equity will be introduced in the first part of theoretical background. Factors affecting customers' choice of a brand include brand salience, brand performance, brand imagery, brand judgments, brand feelings and brand resonance. Custom-

er- Brand Relationships section focus on customer relationship management, customer equity and relationship of customer equity to brand equity. In the end of theoretical part the author will discuss factors influencing customers' buying behavior in brief. All these theoretical focuses are helpful to the research problem.

The general theory context is an extract from Kevin Lane Keller's book: Strategic brand management and David A. Aaker's book Building strong brands. Moreover, there are other articles from journals and website on brand management and customers' buying behavior will provide more information to this thesis.

1.6 Framework of the Thesis

To make a completed business project, report or paper, it is quite important to formulate several purpose. In the case, this paper was made to be few parts. It is better to demonstrate the thesis step by step. The structure of the thesis is shown in Figure 1. Every chapter has the specific contents.

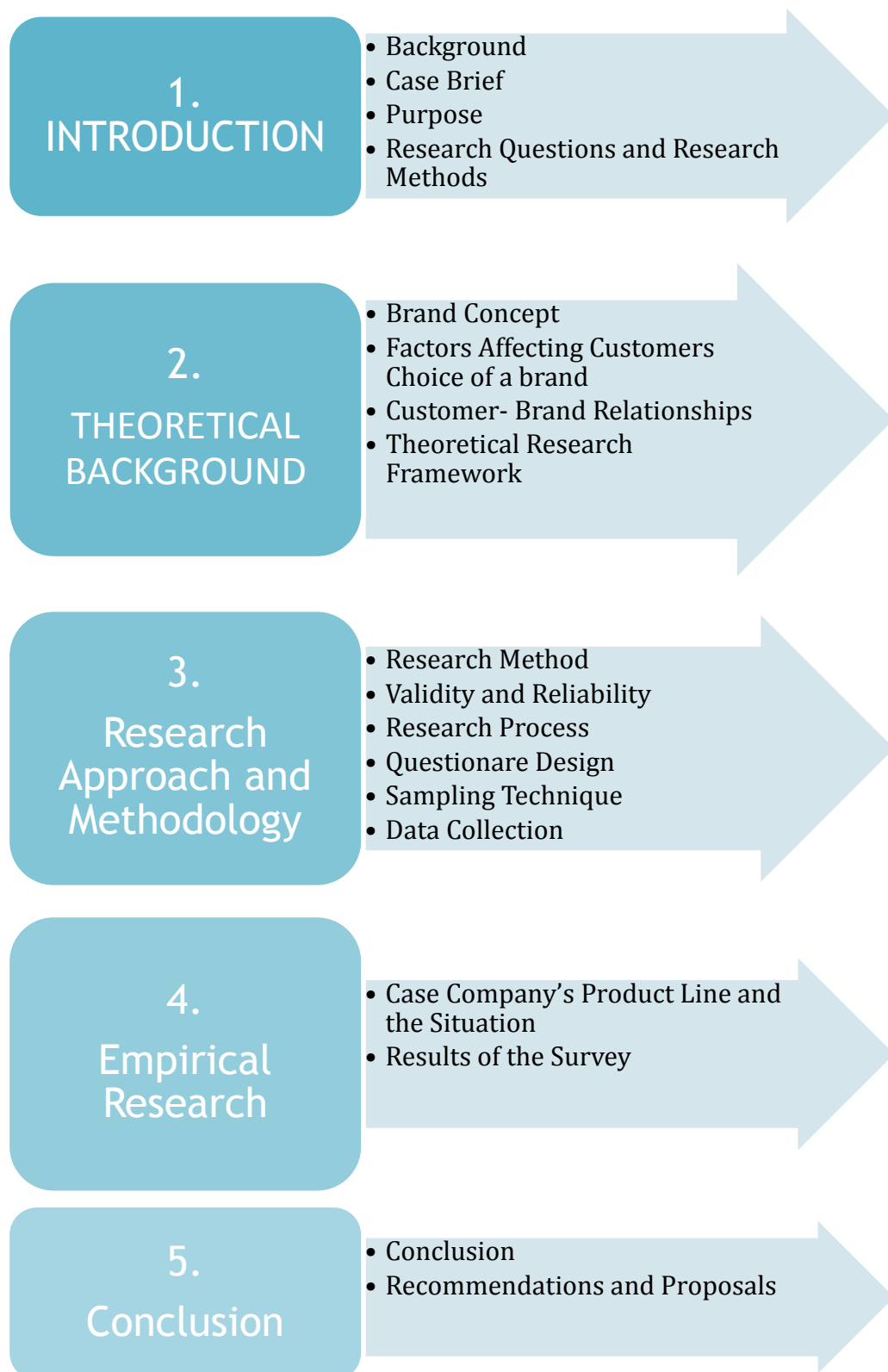


Figure 1: Framework of the thesis

My Thesis is divided into 5 chapters which can be shown in the above figure.

The first chapter introduces the background and significance of the research, explains why the writer chose this topic. Research approach and research problems are detailed presented in the first section which served as the outline of the total study, as well as the thesis' structure.

The second chapter concentrates on theoretical framework for the study, which is brand concept, brand building and customer-based brand equity. This section put emphasis on factors affecting customers' choice of a brand, acknowledged by the theory of brand building blocks. Customer- Brand Relationships are also discussed in this part.

Chapter three contains details of research methodology of this thesis. It describes the research design at work, the questionnaire design and data collecting methods used during research process.

Chapter four is the empirical research section and gives the result of the study. The writer will analyze answers of research questionnaire, including customers' background information of respondents, respondents' answer to chose of a cosmetic brand and respondents' attitude to Skinfood. All the questions and answers are valuable information to the research.

The final chapter is the summary section, it includes the conclusion and discusses the case study, gives some recommendations and proposals for the future company development.

2 Theoretical Background

This theoretical chapter develops a main framework that provides a definition of brand and brand equity, describes tactical process about how to build, measure, and manage brand equity. Recognizing the general importance of consumers and customers to marketing, understanding and satisfying their needs and wants—branding from the perspective of the consumer; introduce factors influencing customers' choosing of a brand. All the information is primarily sourced from literature in order to establish a theoretical foundation supporting the author's empirical study.

2.1 Brand Concept and Brand Management Process

2.1.1 The Brand Concept

Branding has been around for centuries as a means to distinguish the goods of one producer from those of another. According to the American Marketing Association (AMA), a brand is a “name, term, sign, symbol, or design, or a combination of them, intended to identify the goods and services of one seller or group of sellers and to differentiate them from those of competition.” Technically speaking, then, whenever a marketer creates a new name, logo, or symbol for a new product, he or she has created a brand. (Keller 2012, 2)

Thus, the key to creating a brand, according to the AMA definition, is to be able to choose a name, logo, symbol, package design, or other characteristic that identifies a product and distinguishes it from others. These different components of a brand that identify and differentiate it are brand elements. In creating a brand, marketers have many choices about the number and nature of the brand elements they use to identify their products. (Keller 2012, 2)

However, many practicing managers refer to a brand as more than that—as something that has actually created a certain amount of awareness, reputation, prominence, and so on in the marketplace. In the book “Designing Brand Identity”, Alina Wheeler indicates that: As competition creates infinite choices, companies look for ways to connect emotionally with customers, become irreplaceable, and create lifelong relationships. A strong brand stands out in a densely crowded marketplace. People fall in love with brands, trust them, and believe in their superiority. How a brand is perceived affects its success, regardless of whether it’s a start-up, a nonprofit, or a product. (Wheeler 2009, 2)

According to Neumeier (2006), a brand is a person’s gut feeling about a product, service, or company.

A brand is therefore more than a product, because it can have dimensions that differentiate it in some way from other products designed to satisfy the same need. These differences may be rational and tangible—related to product performance of the brand—or more symbolic, emotional, and intangible—related to what the brand represents.

2.1.2 The Brand Equity Concept

One of the most popular and potentially important marketing concepts to arise is brand equity. Basically Speaking, branding is all about endowing products and services with the power of

brand equity. Despite the many different views, most observers agree that brand equity consists of the marketing effects uniquely attributable to a brand. That is, brand equity explains why different outcomes result from the marketing of a branded product or service than if it were not branded. (Keller 2012, 29)

Most marketing observers agree with the following basic principles of branding and brand equity:

- Differences in outcomes arise from the “added value” endowed to a product as a result of past marketing activity for the brand.
- This value can be created for a brand in many different ways.
- Brand equity provides a common denominator for interpreting marketing strategies and assessing the value of a brand.
- There are many different ways in which the value of a brand can be manifested or exploited to benefit the firm (in terms of greater proceeds or lower costs or both).

Fundamentally, the brand equity concept reinforces how important the brand is in marketing strategies.

2.1.3 Strategic Brand Management Process

Strategic brand management involves the design and implementation of marketing programs and activities to build, measure, and manage brand equity. Keller (2012) defines the strategic brand management process as having four main steps:

1. Identifying and developing brand plans
2. Designing and implementing brand marketing programs
3. Measuring and interpreting brand performance
4. Growing and sustaining brand equity

Figure 2 shows the steps of strategic brand management process:

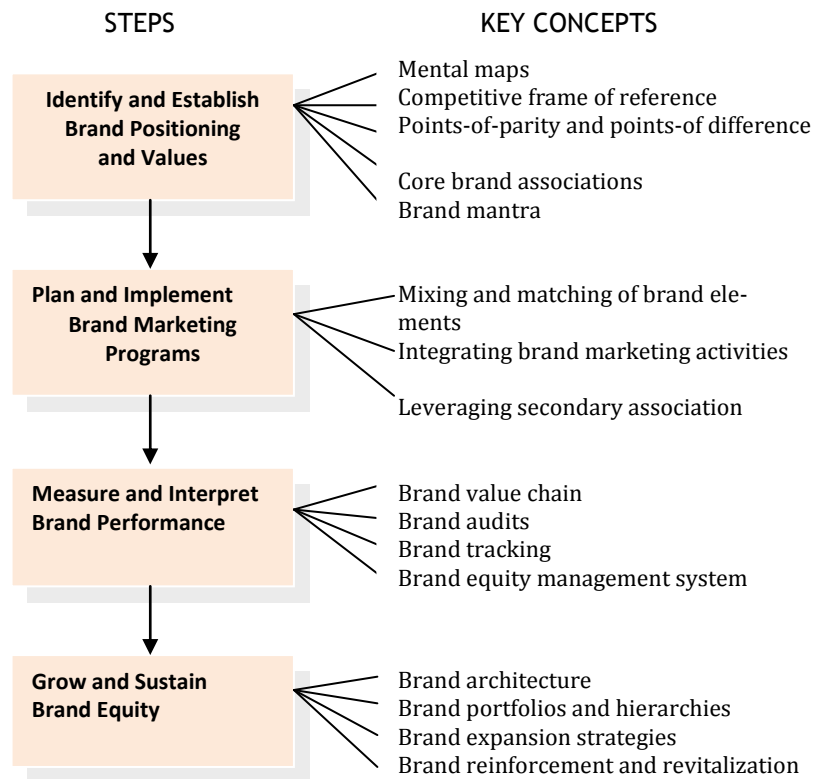


Figure 2: Strategic Brand Management Process (Keller 2012, 31)

1. Identifying and Developing Brand Plans

The strategic brand management process starts with a clear understanding of what the brand is to represent and how it should be positioned with respect to competitors. Brand planning uses the following three interlocking models: (Polansky, 2011)

- The brand positioning model describes how to guide integrated marketing to maximize competitive advantages.
- The brand resonance model describes how to create intense, activity loyalty relationships with customers.
- The brand value chain is a means to trace the value creation process for brands, to better understand the financial impact of brand marketing expenditures and investments.

2. Designing and Implementing Brand Marketing Programs

Building brand equity requires properly positioning the brand in the minds of customers and achieving as much brand resonance as possible. In general, this knowledge building process will depend on three factors:

- 1). The initial choices of the brand elements making up the brand and how they are mixed and matched;
- 2). The marketing activities and supporting marketing programs and the way the brand is integrated into them;
- 3). Other associations indirectly transferred to or leveraged by the brand as a result of linking it to some other entity (such as the company, country of origin, channel of distribution, or another brand).

3. *Measuring and Interpreting Brand Performance*

To manage their brands profitably, managers must successfully design and implement a brand equity measurement system. A brand equity measurement system is a set of research procedures designed to provide timely, accurate, and actionable information for marketers so that they can make the best possible tactical decisions in the short run and the best strategic decisions in the long run. Implementing such a system involves three key steps—conducting brand audits, designing brand tracking studies, and establishing a brand equity management system.

4. *Growing and Sustaining Brand Equity*

Maintaining and expanding on brand equity can be quite challenging. Brand equity management activities take a broader and more diverse perspective of the brand's equity—understanding how branding strategies should reflect corporate concerns and be adjusted, if at all, over time or over geographical boundaries or multiple market segments. Three steps are important in growing and sustaining brand equity. They are: defining brand architecture, managing brand equity over time; managing brand equity over geographic boundaries, cultures, and market segments.

2.2 Factors Affecting Customers' Choice of a brand

From a customer's own experiences and contact with the brand, or indirectly, through advertising or by some other source of information, some brand factors come into play and affect his/her final choice. These factors are brand salience, brand performance, brand imagery, brand judgments, brand feelings and brand resonance. These brand factors are indispensable component in brand building blocks. We'll discuss each of these factors and corresponding brand building blocks and their sub-dimensions in the following sections of the thesis.

2.2.1 Brand Building Steps and Brand Building Blocks

The brand resonance model looks at building a brand as a sequence of steps, each of which is contingent on successfully achieving the objectives of the previous one. The steps are as follows:

1. Ensure identification of the brand with customers and an association of the brand in customers' minds with a specific product class, product benefit, or customer need.
2. Firmly establish the totality of brand meaning in the minds of customers by strategically linking a host of tangible and intangible brand associations.
3. Elicit the proper customer responses to the brand.
4. Convert brand responses to create brand resonance and an intense, active loyalty relationship between customers and the brand. (Keller 2012, 79)

These four steps represent a set of fundamental questions that customers invariably ask about brands—at least implicitly. The table below lists the four questions with corresponding brand steps.

Questions that customers invariably ask about brands	Corresponding brand steps
Who are you?	brand identity
What are you?	brand meaning
What about you? What do I think or feel about you?	brand responses
What about you and me? What kind of association and how much of a connection would I like to have with you?	brand relationships

Table1: Questions those customers ask about brands and the corresponding brand steps.

The ordering of the steps in this branding ladder is from identity to meaning to responses to relationships. We cannot establish meaning unless we have created identity; responses cannot occur unless we have developed the right meaning; and we cannot forge a relationship unless we have elicited the proper responses.

To provide some structure, Kevin Lane Keller established six brand building blocks with customers that we can assemble in a pyramid, with significant brand equity only resulting if brands reach the top of the pyramid. This brand-building process is illustrated in Figures 3

and 4. As will become apparent, building blocks up the left side of the pyramid represent a more “rational route” to brand building, whereas building blocks up the right side of the pyramid represent a more “emotional route.” Most strong brands are built by going up both sides of the pyramid. (Keller 2012, 80)

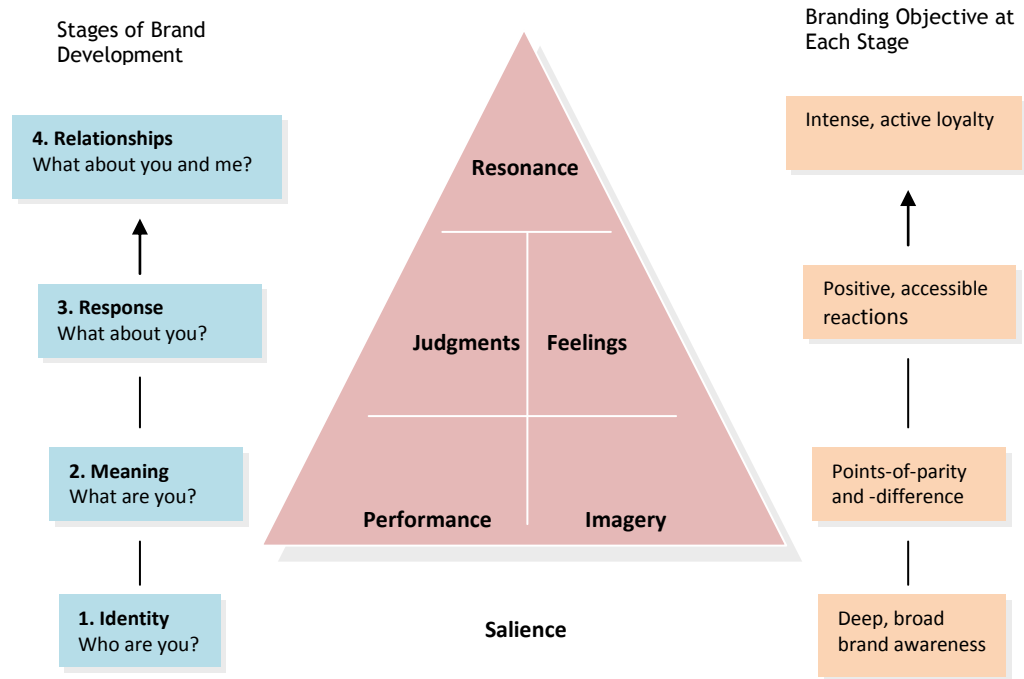


Figure 3: Brand Resonance Pyramid (Keller 2012, 80)

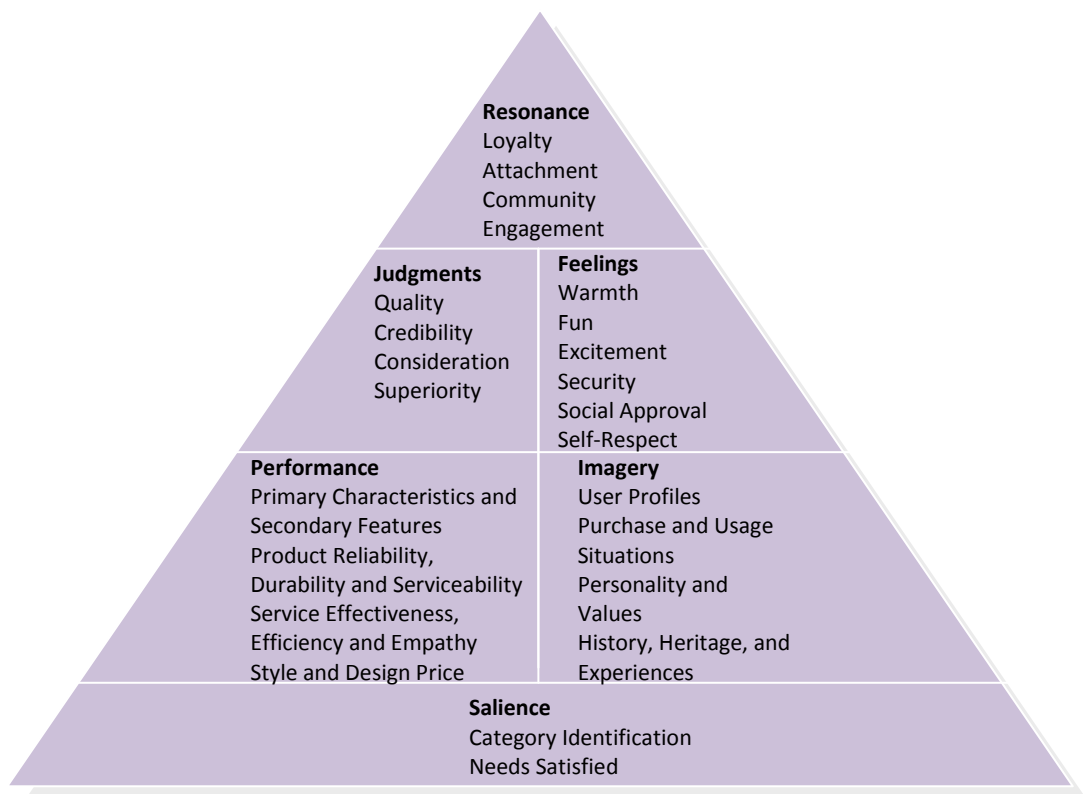


Figure 4: Sub-dimensions of Brand Building Blocks (Keller 2012, 80)

2.2.2 Brand Salience

Achieving the right brand identity means creating brand salience with customers. Brand salience measures various aspects of the awareness of the brand and how easily and often the brand is evoked under various situations or circumstances. To what extent is the brand top-of-mind and easily recalled or recognized? What types of cues or reminders are necessary? How pervasive is this brand awareness? Brand awareness refers to customers' ability to recall and recognize the brand under different conditions and to link the brand name, logo, symbol, and so forth to certain associations in memory. In particular, building brand awareness helps customers understand the product or service category in which the brand competes and what products or services are sold under the brand name. It also ensures that customers know which of their "needs" the brand—through these products—is designed to satisfy. (Keller 2012, 80)

2.2.2.1 Breadth and Depth of Awareness

The depth of brand awareness measures how likely it is for a brand element to come to mind, and the ease with which it does so. A brand we easily recall has a deeper level of brand awareness than one that we recognize only when we see it. The breadth of brand awareness measures the range of purchase and usage situations in which the brand element comes to mind and depends to a large extent on the organization of brand and product knowledge in memory. (Cowley and Mitchell 2003)

2.2.2.2 Product Category Structure

To fully understand brand recall, we need to appreciate product category structure, or how product categories are organized in memory. Typically, marketers assume that products are grouped at varying levels of specificity and can be organized in a hierarchical fashion. (Sujan and Dekleva 1987)

Thus, in consumers' minds, a product hierarchy often exists, with product class information at the highest level, product category information at the second-highest level, product type information at the next level, and brand information at the lowest level.

The beverage market provides a good setting to examine issues in category structure and the effects of brand awareness on brand equity. Figure 5 illustrates one hierarchy that might exist in consumers' minds. If the consumer chooses a flavored drink, the next decision would be

whether to have an alcoholic or a nonalcoholic drink, and so on. Finally, consumers might then choose a particular brand within the product category in which they are interested.

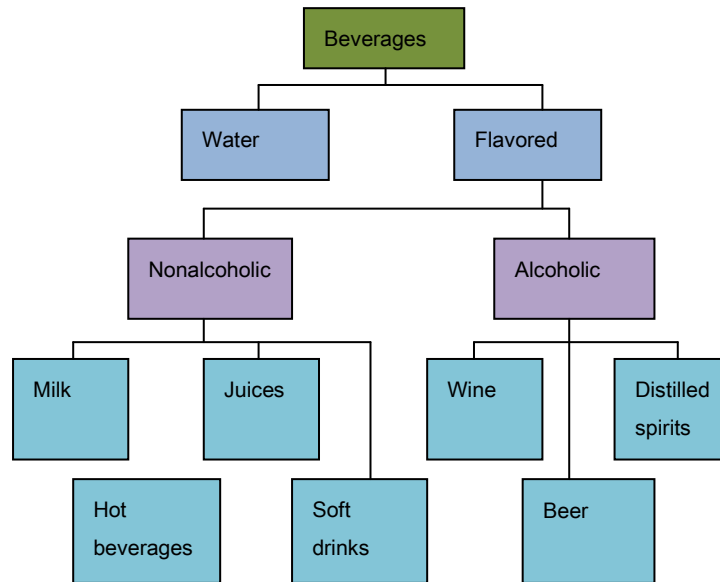


Figure 5: Beverage Category Hierarchy (Keller 2012, 82)

2.2.2.3 Strategic Implications

For many brands, the key question is not whether consumers can recall the brand but where they think of it, when they think of it, and how easily and how often they think of it. Many brands and products are ignored or forgotten during possible usage situations. For those brands, the best route for improving sales may be not to try to improve consumer attitudes but, instead, increasing brand salience and the breadth of brand awareness and situations in which consumers would consider using the brand to drive consumption and increase sales volume. In other words, it may be harder to try to change existing brand attitudes than to remind people of their existing attitudes toward a brand in additional, but appropriate, consumption situations. (Keller 2012, 82)

2.2.3 Brand Performance

Brand performance describes how well the product or service meets customers' more functional needs. How well does the brand rate on objective assessments of quality? To what extent does the brand satisfy utilitarian, aesthetic, and economic customer needs and wants in

the product or service category? Brand performance transcends the product's ingredients and features to include dimensions that differentiate the brand. Often, the strongest brand positioning relies on performance advantages of some kind, and it is rare that a brand can overcome severe performance deficiencies. Five important types of attributes and benefits often underlie brand performance, as follows. (Garvin 1984)

2.2.3.1 Primary ingredients and supplementary features

Customers often have beliefs about the levels at which the primary ingredients of the product operate (low, medium, high, or very high), and about special, perhaps even patented, features or secondary elements that complement these primary ingredients. Some attributes are essential ingredients necessary for a product to work, whereas others are supplementary features that allow for customization and more versatile, personalized usage. Of course these vary by product or service category.

2.2.3.2 Product reliability, durability, and serviceability. Reliability

Reliability measures the consistency of performance over time and from purchase to purchase. Durability is the expected economic life of the product, and serviceability, the ease of repairing the product if needed. Thus, perceptions of product performance are affected by factors such as the speed, accuracy, and care of product delivery and installation; the promptness, courtesy, and helpfulness of customer service and training; and the quality of repair service and the time involved.

2.2.3.3 Service effectiveness, efficiency, and empathy

Customers often have performance-related associations with service. Service effectiveness measures how well the brand satisfies customers' service requirements. Service efficiency describes the speed and responsiveness of service. Finally, service empathy is the extent to which service providers are seen as trusting, caring, and having the customer's interests in mind.

2.2.3.4 Style and design

Design has a functional aspect in terms of how a product works that affects performance associations. Consumers also may have associations with the product that go beyond its functional aspects to more aesthetic considerations such as its size, shape, materials, and color

involved. Thus, performance may also depend on sensory aspects such as how a product looks and feels, and perhaps even what it sounds or smells like.

2.2.3.5 Price

The pricing policy for the brand can create associations in consumers' minds about how relatively expensive (or inexpensive) the brand is, and whether it is frequently or substantially discounted. Price is a particularly important performance association because consumers may organize their product category knowledge in terms of the price tiers of different brands.

(Sethuraman and Srinivasa 2002)

2.2.4 Brand Imagery

Brand imagery depends on the extrinsic properties of the product or service, including the ways in which the brand attempts to meet customers' psychological or social needs. It is the way people think about a brand abstractly, rather than what they think the brand actually does. Thus, imagery refers to more intangible aspects of the brand, many kinds of intangibles can be linked to a brand, but four main ones are:

1. User profiles
2. Purchase and usage situations
3. Personality and values
4. History, heritage, and experiences

2.2.5 Brand Judgments

Brand judgments are customers' personal opinions about and evaluations of the brand, which consumers form by putting together all the different brand performance and imagery associations. Customers may make all types of judgments with respect to a brand, but four types are particularly important: judgments about quality, credibility, consideration, and superiority.

2.2.5.1 Brand Quality

Brand attitudes are consumers' overall evaluations of a brand and often form the basis for brand choice. Brand attitudes generally depend on specific attributes and benefits of the

brand. Consumers can hold a host of attitudes toward a brand, but the most important relate to its perceived quality and to customer value and satisfaction. Perceived quality measures are inherent in many approaches to brand equity. (Wilkie 1994)

2.2.5.2 Brand Credibility

Brand credibility describes the extent to which customers see the brand as credible in terms of three dimensions: perceived expertise, trustworthiness, and likability. Is the brand seen as (1) competent, innovative, and a market leader (brand expertise); (2) dependable and keeping customer interests in mind (brand trustworthiness); and (3) fun, interesting, and worth spending time with (brand likability)? In other words, credibility measures whether consumers see the company or organization behind the brand as good at what it does, concerned about its customers, and just plain likable.

2.2.5.3 Brand Consideration

Favorable brand attitudes and perceptions of credibility are important, but not important enough if customers don't actually consider the brand for possible purchase or use. Consideration depends in part on how personally relevant customers find the brand and is a crucial filter in terms of building brand equity. No matter how highly they regard the brand or how credible they find it, unless they also give it serious consideration and deem it relevant, customers will keep a brand at a distance and never closely embrace it. Brand consideration depends in large part on the extent to which strong and favorable brand associations can be created as part of the brand image. (Keller 2012, 90)

2.2.5.4 Brand Superiority

Superiority measures the extent to which customers view the brand as unique as and better than other brands. Do customers believe it offers advantages that other brands cannot? Superiority is absolutely critical to building intense and active relationships with customers and depends to a great degree on the number and nature of unique brand associations that make up the brand image.

2.2.5.5 Brand Feelings

Brand feelings are customers' emotional responses and reactions to the brand. Brand feelings also relate to the social currency evoked by the brand. What feelings are evoked by the marketing program for the brand or by other means? How does the brand affect customers' feelings about themselves and their relationship with others? These feelings can be mild or intense and can be positive or negative.

More and more firms are attempting to tap into more consumer emotions with their brands. The following are six important types of brand-building feelings: Warmth, Fun, Excitement, Security, Social approval, Self-respect. These six feelings can be divided into two broad categories: The first three types of feelings are experiential and immediate, increasing in level of intensity; the latter three types of feelings are private and enduring, increasing in level of gravity. (Kahle, Poulos & Sukhdial 1988)

2.2.6 Brand Resonance

The final step of the model focuses on the ultimate relationship and level of identification that the customer has with the brand. Brand resonance describes the nature of this relationship and the extent to which customers feel that they are "in sync" with the brand. Examples of brands with historically high resonance include Harley-Davidson, Apple, and eBay. Resonance is characterized in terms of intensity, or the depth of the psychological bond that customers have with the brand, as well as the level of activity engendered by this loyalty (repeat purchase rates and the extent to which customers seek out brand information, events, and other loyal customers). Kevin Lane Keller states that we can break down these two dimensions of brand resonance into four categories:

1. Behavioral loyalty
2. Attitudinal attachment
3. Sense of community
4. Active engagement

Keller (2012) said that we can gauge behavioral loyalty in terms of repeat purchases and the amount or share of category volume attributed to the brand, that is, the "share of category requirements." In other words, how often do customers purchase a brand and how much do they purchase? For bottom-line profit results, the brand must generate sufficient purchase frequencies and volumes.

Resonance, however, requires a strong personal attachment. Customers should go beyond having a positive attitude to viewing the brand as something special in a broader context. For example, customers with a great deal of attitudinal attachment to a brand may state that they “love” the brand, describe it as one of their favorite possessions, or view it as a “little pleasure” that they look forward to. (Keller 2012, 92)

The brand may also take on broader meaning to the customer by conveying a sense of community. Identification with a brand community may reflect an important social phenomenon in which customers feel a kinship or affiliation with other people associated with the brand, whether fellow brand users or customers, or employees or representatives of the company. (McAlexander, Schouten and Koenig 2002)

Finally, perhaps the strongest affirmation of brand loyalty occurs when customers are engaged, or willing to invest time, energy, money, or other resources in the brand beyond those expended during purchase or consumption of the brand. (Algesheimer, Dholakia and Hermann 2005)

2.3 Customer- Brand Relationships

Customer – brand relationships are the foundation of brand resonance and building a strong brand. Marketers have long recognized the importance of adopting a strong consumer and customer orientation. The customer-based brand equity concept puts that notion front and center, making it clear that the power of a brand resides in the minds of consumers and customers. (Keller 2012, 106)

2.3.1 Customer Equity

Too many firms, however, still find themselves paying the price for lacking a customer focus. Now more and more firms have introduced customer relationship marketing programs to improve customer interactions. Some marketing observers encourage firms to formally define and manage the value of their customers. Although we can define customer equity in different ways, one definition calls it “the sum of lifetime values of all customers. Customer lifetime value (CLV) is affected by revenue and by the cost of customer acquisition, retention,

and cross-selling. Several different concepts and approaches have been put forth that are relevant to the topic of customer equity. (Rust, Zeithamal, and Lemon 2004)

Blattberg and Deighton have defined customer equity as the optimal balance between what marketers spend on customer acquisition and what they spend on customer retention. They calculated customer equity as follows: We first measure each customer's expected contribution toward offsetting the company's fixed costs over the expected life of that customer. Then we discount the expected contributions to a net present value at the company's target rate of return for marketing investments. Finally, we add together the discounted, expected contributions of all current contributions.

Blattberg and Deighton also offer eight guidelines as a means of maximizing customer equity. (See table 2 below)

Rust, Zeithaml, and Lemon (2004) define customer equity as the discounted lifetime values of a firm's customer base. According to their view, customer equity is made up of three components and key drivers:

- *Value equity*: Customers' objective assessment of the utility of a brand based on perceptions of what is given up for what is received. Three drivers of value equity are quality, price, and convenience.
- *Brand equity*: Customers' subjective and intangible assessment of the brand, above and beyond its objectively perceived value. Three key drivers of brand equity are customer brand awareness, customer brand attitudes, and customer perception of brand ethics.
- *Relationship equity*: Customers' tendency to stick with the brand, above and beyond objective and subjective assessments of the brand. Four key drivers of relationship equity are loyalty programs, special recognition and treatment programs, community-building programs, and knowledge-building programs.

Rust and colleagues advocate customer-centered brand management to firms with the following directives that, they maintain, go against current management convention. (See table 2 below)

Blattberg and Deighton's guidelines as a means of maximizing customer equity	Rust and colleagues' directives to firms for customer-centered brand management
1. Invest in highest-value customers first.	1. Make brand decisions subservient to decisions about customer relationships.
2. Transform product management into customer management.	2. Build brands around customer segments, not the other way around.
3. Consider how add-on sales and cross-selling can increase customer equity.	3. Make your brands as narrow as possible.
4. Look for ways to reduce acquisition costs.	4. Plan brand extensions based on customer needs, not component similarities.
5. Track customer equity gains and losses against marketing programs	5. Develop the capability and the mind-set to hand off customers to other brands in the company.
6. Relate branding to customer equity.	6. Take no heroic measures to try to save ineffective brands.
7. Monitor the intrinsic retainability of your customers	7. Change how you measure brand equity to make individual-level calculations.
8. Consider writing separate marketing plans—or even building two marketing organizations—for acquisition and retention efforts.	

Table2: Guidelines for maximizing customer equity and brand equity

In a series of studies, Kumar and his colleagues explore a number of questions concerning customer lifetime value and how firms should allocate their marketing spending to customer acquisition and retention efforts. (Reinartz, Thomas, and Kumar 2005)

Kumar and his colleagues show how each customer varies in his or her lifetime value to a firm, and how customer lifetime value computations require different approaches depending on the business application. They also demonstrate how their framework, which incorporates projected profitability of customers in the computation of lifetime duration, can be superior to traditional methods such as the recency, frequency, and monetary value framework and past customer value.

2.3.2 Relationship of Customer Equity to Brand Equity

As customer equity and brand equity have been developed conceptually and put into practice, however, the two perspectives tend to emphasize different aspects (see Figure 6). The cus-

tomer equity perspective puts much focus on the bottom-line financial value created by customers. Its clear benefit is the quantifiable measures of financial performance it provides.

The customer equity perspective largely ignores some of the important advantages of creating a strong brand, such as the ability of a strong brand to attract higher quality employees, elicit stronger support from channel and supply chain partners, creates growth opportunities through line and category extensions and licensing, and so on. (Keller 2012, 109)

The customer equity perspective also tends to be less prescriptive about specific marketing activities beyond general recommendations toward customer acquisition, retention, and cross selling. Thus, customer equity approaches can overlook the “option value” of brands and their potential impact on revenues and costs beyond the current marketing environment.

Brand equity, on the other hand, tends to put more emphasis on strategic issues in managing brands and how marketing programs can be designed to create and leverage brand awareness and image with customers. It provides much practical guidance for specific marketing activities.

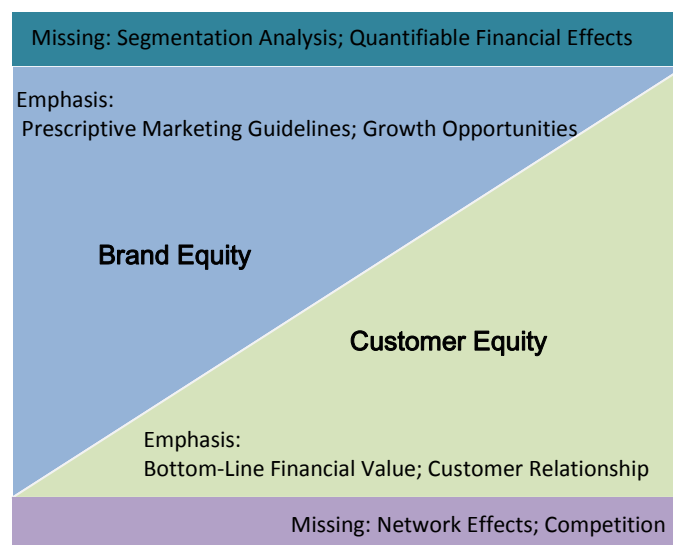


Figure 6: Brand Equity vs. Customer Equity (Keller 2012, 109)

There is no question that customer equity and brand equity are related. Customers drive the success of brands, but brands are the necessary touch point that firms have to connect with their customers. Customer-based brand equity maintains that brands create value by eliciting differential customer response to marketing activities. The higher price premiums and increased levels of loyalty engendered by brands generate incremental cash flows. (Keller 2012, 109)

Brand equity tends to put more emphasis on the “front end” of marketing programs and intangible value potentially created by marketing programs; customer equity tends to put more emphasis on the “back end” of marketing programs and the realized value of marketing activities in terms of revenue.

The two concepts go hand in hand: customers need and value brands, but a brand ultimately is only as good as the customers it attracts. But effective brand management is critical, and it is a mistake to ignore its important role in developing long-term profit streams for firms.

Kevin Lane Keller (2012, 109) states the conclusion: “Through the years, customers may come and go, but strong brands will endure.” Perhaps the main point is that both are really crucial, and the two perspectives can help improve the marketing success of a firm. The customer-based brand equity concept is an attempt to do just that.

2.4 Theoretical Research Summary and Framework

The theoretical chapter discussed basic theory from brands, particular factors affecting customers’ choice of a brand (brand building model) and customer-based brand equity, established a theoretical foundation supporting the author’s empirical study.

We can see in the thesis, a brand is more than a name, logo, symbol, or a design,—it is something that has actually created a certain amount of awareness, reputation, prominence, and so on in the marketplace. Brand equity explains why different outcomes result from the marketing of a branded product or service than if it were not branded. Strategic brand management involves the design and implementation of marketing programs and activities to build, measure, and manage brand equity. The strategic brand management process has four main steps: Identifying and developing brand plans, designing and implementing brand marketing programs, measuring and interpreting brand performance, growing and sustaining brand equity.

From a customer’s own experiences and direct or indirectly contact with a brand, some brand factors come into play and affect his/her final choice. These factors are brand salience, brand performance, brand imagery, brand judgments, brand feelings and brand resonance. These brand factors are indispensable component in brand building process. Customer equity is the sum of lifetime values of all customers. Customer equity and brand equity are related. They are both really crucial, and can help improve the marketing success of a firm.

Readers should know that great brands are not accidents. They are a result of thoughtful and imaginative planning. Anyone building or managing a brand must carefully develop and implement creative brand strategies to cater to customers 'need. People fall in love with a brand, trust it, because they believe in its superiority. How a brand is perceived affects customers' choice and its success.

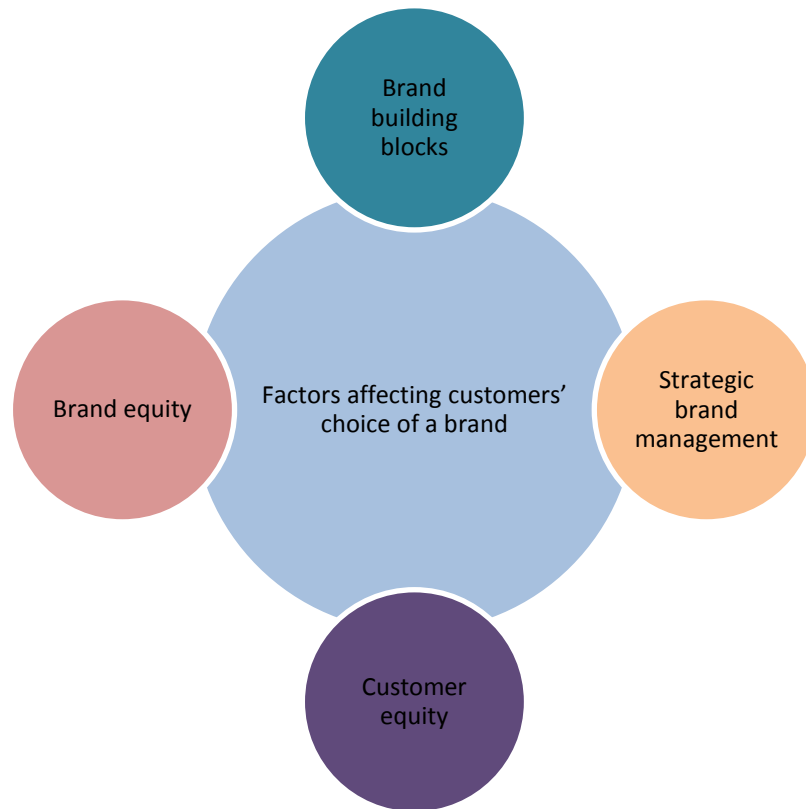


Figure 7: Theoretical Research Framework

3 Research Approach and Methodology

Business research can be described as a systematic and organized effort to investigate a specific problem encountered in the work setting, which needs a solution. It comprises a series of steps that are designed and executed with the goal of finding answers to the issues that are of concern to the manager in the work environment. The first step in research is to know where the problem areas exist in the organization, and to identify as clearly and specifically as possible the problems that need to be studied and resolved. Once a problem that needs attention is clearly defined, steps can be taken to gather information, analyze the data, and determine the factors that are associated with the problem and then solve it by taking the necessary corrective measures. (Sekaran 2011, 5)

This entire process by which we attempt to solve problems is called research. Thus, research involves a series of well-thought-out and carefully executed activities that enable the manager to know how organizational problems can be solved, or at least considerably minimized. Sekaran defines business research as an organized, systematic, data-based, critical, objective, scientific inquiry or investigation into a specific problem, undertaken with the purpose of finding answers or solutions to it. In essence, research provides the necessary information that guides managers to make informed decisions to successfully deal with problems.

3.1 Research method

In order to obtain relatively valid and reliable answers to research questions, researchers are required to decide what research method they should apply when processing numerous data and problems. There are mainly two domains of research methods which are frequently observed in the literature, and these include the qualitative research method and quantitative research method. Researchers are able to apply one single method or a combination of them to serve the objectives of their study best. (Adams et al. 2007, 26)

According to Kumar (2008, 8), qualitative research is especially important in the behavioral sciences where the aim is to discover the underlying motives of human behavior. It also uses strategies of inquiry such as narratives, phenomenologies, ethnographies, grounded theory studies, or case studies. The results of qualitative research in the collection of non-standardized data require classification and are analyzed through the use of conceptualization.

Quantitative research is based on the measurement of quantity or amount. It is often aimed at testing a research hypothesis through the analysis of numerical data. It employs strategies of inquiry such as experiments and surveys, and collects data on predetermined instruments that yield statistical data (Creswell 2003, 18)

In the process of this research, both quantitative and qualitative research method are being used in a complementary manner to demonstrate the research topic: factors affecting chose of a cosmetic brand. In this thesis, a quantitative approach was used for data collection; a qualitative approach is also used to explain the author's analysis for the questionnaire and opinion of this case study. There are two advantages of multi-methods. Firstly, different methods can be used for different purposes in a study; and secondly, using multi-methods

enables triangulation to take place, which means using different data collection methods within one study in order to ensure that the data are reflecting the researcher's willingness.

3.2 Research Process in the Thesis

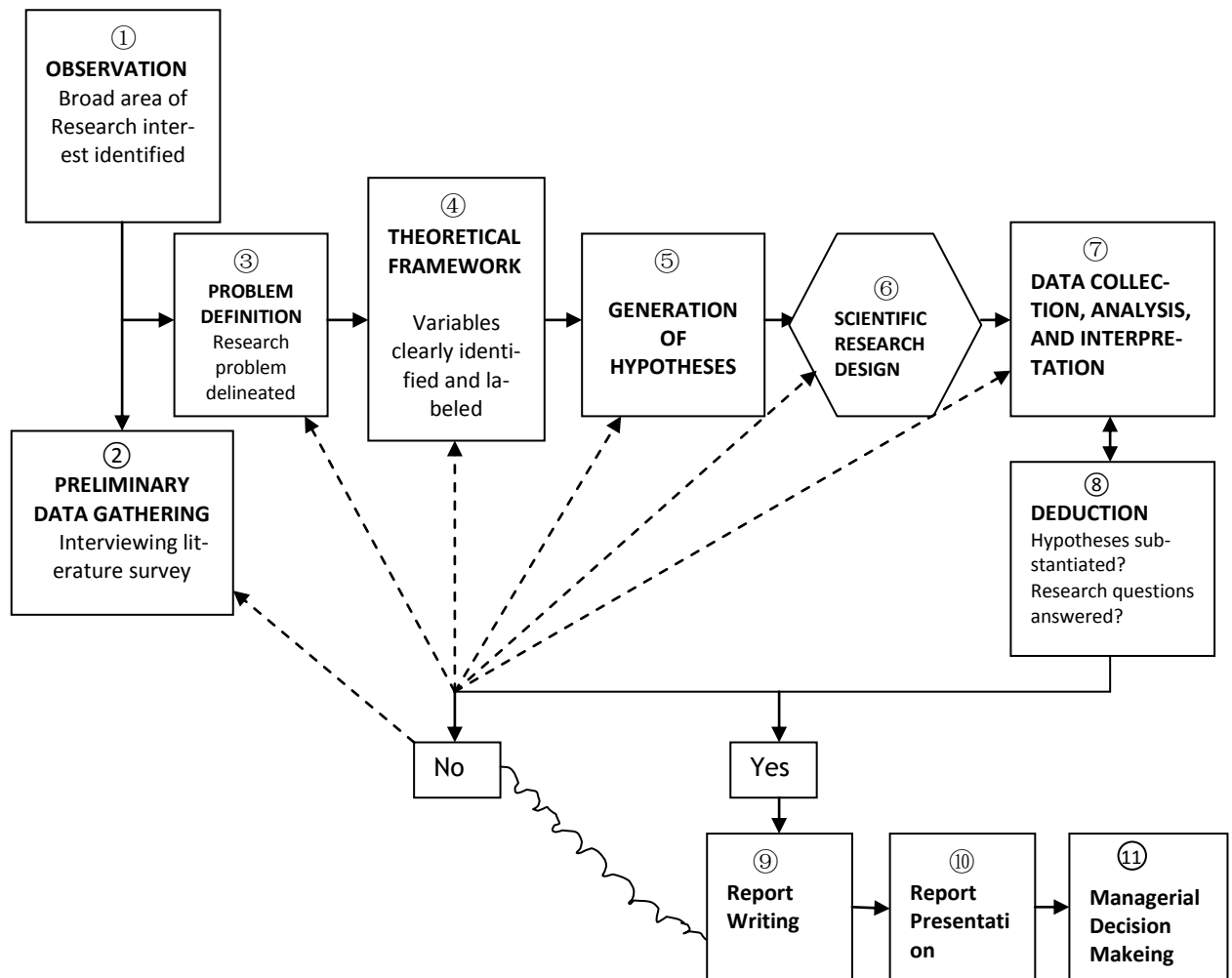


Figure 8: The research process for basic and applied research (Sekaran & Uma, 2011, 56)

The above figure shows the research process for basic and applied research (Sekaran & Uma, 2011, 56).

When conducting the research study, the author followed these essential steps to ensure the accuracy and validity of the research. At the very beginning, the author envisaged three possible research ideas, under the thesis supervisor's advice, choose a most interesting topic with realistic significance (Factors affecting choice of a cosmetic brand). Then the author consulted many concerned literatures and web resources to complete the basic data gathering. During this period, the author clarified the research methods and problems by analyzing

situation of the case company (SKINFOOD LTD) and made a relevant, well-structured theoretical framework according to accumulated academic resources. The theoretical framework includes three parts: brand and brand equity concept, factors affecting customers' choice of a brand and customer-brand relationships. This theoretical knowledge can provide good support for author's research idea.

After this, the author put forward her own hypotheses and analytical framework, using quantitative analysis and qualitative analysis of the combination of research methods to collect, analyze materials, and finally designed a 4 pages questionnaire for this research study. Through several times revise on the basis of thesis supervisor's guidance, this research questionnaire can totally substantiated hypotheses and answered the research questions. At this stage, the author started writing this report and tried to find answers to the research questions.

3.3 Questionnaire Design

A questionnaire is a reformulated written set of questions to which respondents record their answers, usually within rather closely defined alternatives. Questionnaires are an efficient data collection mechanism when the researcher knows exactly what is required and how to measure the variables of interest. Questionnaires can be administered personally, mailed to the respondents, or electronically distributed.

Sound questionnaire design principles should focus on three areas. The first relates to the wording of the questions. The second refers to the planning of issues with regard to how the variables will be categorized, scaled, and coded after receipt of the responses. The third pertains to the general appearance of the questionnaire. All three are important issues in questionnaire design because they can minimize bias in research. (Sekaran& Uma 2011, 237)

In this thesis research, the author devoted a lot of attention to questionnaire design because questionnaire are the most common method of collecting data, and also the most efficient way to solve the research problems. The questionnaire was constructed with the assistance of thesis supervisor to enhance its validity and reliability. In all 18 research questions are designed. These questions are worded and measured carefully, and the entire questionnaire is organized following the principles to minimize respondent biases and measurement errors.

The purpose of this research is to identify people's attitudes towards cosmetic brands and their attitudes on the brand SKINFOOD. So this questionnaire consists of the following three

parts: The first part examines general information of respondents by asking questions about their age, occupation, monthly income and frequency to use cosmetic products. The second part investigates consumers' attitudes towards cosmetic brands, includes questions like "What is the major factor when you decide to choose a cosmetic brand?"; "If you try a new cosmetic brand, how important would you consider the following criteria?" and so on. The last part examines the brand awareness and brand image of SKINFOOD LTD, questions are designed as "What do you know about the cosmetic brand SKINFOOD?" or "If you are a SKINFOOD user, the reason you chose this brand?"

The questionnaire was first written in English language and later translated to in to Chinese language. Among 18 questions, there are 6 questions using a "state on a scale" form to investigate the research problems in greater detail. And there are also 4 open questions in the questionnaire for better implement the objective of the study.

3.4 Sampling Technique

According to Uma and Sekaran (2011), a sample is a subset of the population. It comprises some members selected from it. In other words, some, but not all, elements of the population form the sample. If 200 members are drawn from a population of 1000 blue-collar workers, these 200 members form the sample for the study. That is, from a study of these 200 members, the researcher will draw conclusions about the entire population of 1000 blue-collar workers.

The reasons for using a sample, rather than collecting data from the entire population, are self-evident. In research investigations involving several hundreds and even thousands of elements, it would be practically impossible to collect data from, or test, or examine every element. Even if it were possible, it would be prohibitive in terms of time, cost, and other human resources. Study of a sample rather than the entire population is also sometimes likely to produce more reliable results. (Sekaran, Uma & Bougie 2011, 267)

In this survey, research questionnaire aimed to collect opinions from customers in Beijing (China) towards cosmetic brands and popular cosmetic products at present, especially the case company's brand: SKINFOOD. After comprehensive consideration of various factors, the author chose Beijing Wangfujing department store as target research location, taking samples from consumers there. Beijing Wangfujing department store is one of the biggest shopping mall in Beijing city; it has more than 50 kinds of cosmetics counters represents most popular cosmetic brands domestic and overseas.

200 women consumers buying cosmetic products in Beijing wangfujing department store were chosen as samples for this research, and the author will draw conclusions about the entire target group from these 200 members.

3.5 Data Collection

Data collection methods are an integral part of research design. Data collection methods include interviews - face-to-face interviews, telephone interviews, computer-assisted interviews, and interviews through the electronic media - questionnaires that are either personally administered, sent through the mail, or electronically administered; observation of individuals and events with or without videotaping or audio recording; and a variety of other motivational techniques such as projective tests. Interviewing, administering questionnaires, and observing people and phenomena are the three main data collection methods in survey research. (Sekaran, Uma & Bougie 2011, 223)

In this research, personally administering questionnaire is used for the main data collection method. The author randomly selected 200 women consumers in Beijing Wangfujing department store, distributed the research questionnaire in different time period. This is a difficult and persistent task. In this data collection process from the 200 questionnaires, 136 copies were return and 103 were valid questionnaires. The author collected all these useful papers, and then made the statistic analysis carefully; finally get the valid research results.

3.6 Validity and Reliability

Item analysis is carried out to see if the items in the instrument belong there or not. Each item is examined for its ability to discriminate between those subjects whose total scores are high, and those with low scores. In item analysis, the means between the high-score group and the low-score group are tested to detect significant differences through the t-values. The items with a high t-value (test which is able to identify the highly discriminating items in the instrument) are then included in the instrument. Thereafter, tests for the reliability of the instrument are carried out and the validity of the measure is established. (Sekaran, Uma 2011, 203)

Briefly, reliability is a test of how consistently a measuring instrument measures whatever concept it is measuring. Validity is a test of how well an instrument that is developed

measures the particular concept it is intended to measure. In other words, validity is concerned with whether we measure the right concept and reliability with stability and consistency of measurement. Validity and reliability of the measure attest to the scientific rigor that has gone into the research study. (Sekaran, Uma 2011, 203)

When come into contact with this research topic, the author read many academic books and materials which are related to branding, examined various sources of information, and then carefully designed a realistic questionnaire which can help to solve research problems. Sources were used only if they offered accurate and relevant information regarding the research topic. Only generally recognized research methods were applied during the research.

After research and repeated comparisons, the author chose Beijing Wangfujing department store as target research location, taking samples from here. This store is one of the biggest shopping mall in Beijing city; it has more than 50 kinds of cosmetics counters represents most popular cosmetic brands domestic and overseas. To ensure the validity and reliability of this study, the author chose 200 women consumers buying cosmetic products in Beijing Wangfujing department store as samples for this research. In the 200 questionnaires which were distributed in the store, 136 copies were return and 103 were valid questionnaires.

For further increasing validity, the author handed out the questionnaires by herself, and checked these valid questionnaires carefully, to make sure that each selected questionnaire is reliable and valid. They can offer a useful result to this research.

4 Empirical Research

4.1 Case Company's Product Line and the Situation

Skin Food is a skincare and cosmetics manufacturer and retailer in South Korean. The company's motto is "good food for health is also good for the skin". Skin Food delivers complete nutrition to the skin through the strict selection of foods that are good for the skin including avocado, apple, grape, rice, honey, tomato, and fresh milk. The products are scented and bottled according to their design and formulation concepts, to indulge customers with the freshness and nutrients of their main ingredients. Skin Food always looks for skin-affinitive food to bring their enthusiasts the best products.

“To protect your skin for 14 years, not just for 14 days” This is the goal of Skin Food. The company believes in beauty within food. It takes a long time for developers to produce products from cultivating the ingredients to making them into actual cosmetics, but these products manifest good effects in the cosmetic market. Skin food has been widely accepted by the consumers with its unique nutrition.

Skin Food's logo is a guardian angel. It conveys the message to their customers of the purity and goodness in their products. In addition, this logo also implicates that Skin Food is like a guardian angel sent to protect and carefully guard your skin towards a healthier skin.



Illustration 1: The logo of Skin Food

It owns 895 shops throughout Korea, located in shopping districts, hypermarkets, shopping malls and residential areas. In August 2012, Skin Food has been as part of Lotte Department Store's expansion programmers into China. Skin Food has increased in sales from foreign visitors and has opened outlets outside South Korea in countries such as Taiwan, Philippines, China, Malaysia, Singapore, Japan and Hong Kong. (Korea Tourism Organization 2012)

Skin Food's products range from skin care, make up, cleanser, mask, bath& body products. They use natural food and produce in its original form as ingredients, which include fruits, vegetables, rise, marine resources and other food ingredients. Their product lines include Royal Honey, Black raspberry, Agave Cactus, Platinum Grape Cell, Gold Kiwi, Fresh Apple, Black sugar and so on. Their packaging is inspired by plastic containers for condiments and foods, which also includes labels and instructions in English.



Illustration 2: The Products of Skin Food

In 2010, Skin Food set up a branch company in Shanghai, China--SKINFOOD Shanghai Cosmetics Trade Ltd. This is the first food cosmetic brand developed with a differentiated unique concept of 'food' in Chinese market. So far Skin food owns more than 200 shops in more than 100 Cities in China. In 2013, the company launches new products including Blanc Pearl Caviar series and Fresh Apple Sparking series which are deeply loved by local customers.

Although the brand SKINFOOD obtained general Chinese consumer's approval, it is still difficult to compete with some famous international cosmetics brands. What are the factors affecting consumers choice of a cosmetic brands? This is a key problem for the company to expand business opportunities. The author, worked as a sales person and market surveyer in a Skin Food shop in Beijing, is interested in making a research about it, and try to get some useful results.

4.2 Results of the Survey

Research results will be shown clearly in the form of figures in this chapter. Research findings will also be discussed by the author. The research questionnaire contains three parts: Part 1 examines general information of respondents. Part 2 investigates consumers' attitudes towards cosmetic brands; Part 3 examines the brand awareness and brand image of SKINFOOD LTD. Totally there are 18 research questions, almost each question are created into a graph and analyzed.

4.2.1 Part 1: RESPONDENTS' GENERAL INFORMATION

The first part examines general information of respondents by asking questions about their age; occupation; monthly income; frequency to use cosmetic products, cost and purchasing place for them. There are six questions in all in part 1.

4.2.1.1 Question 1-3: Respondents' age, occupation, monthly income

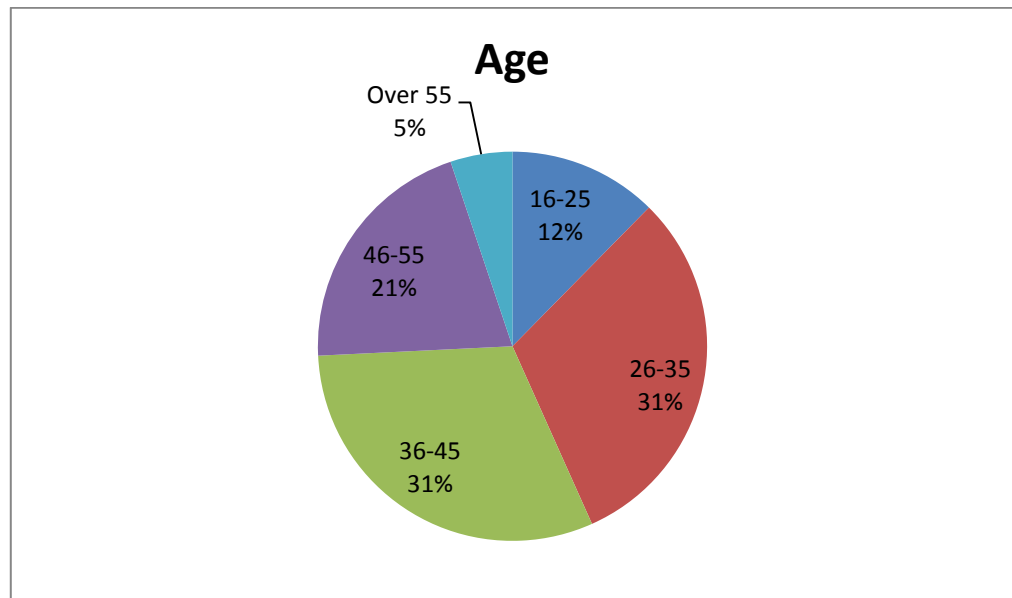


Figure 9: Age groups of the respondents

Figure 9 show that the majority of respondents belong to two age groups: 26-35 years old and 36-45 years old. These two age groups' ratio is equal: 31%. The third largest group was the age group from 46 to 55 with the percentage of 21%. So we can know that most target customers for the company are in the 26-45 age period, accounted for 62% from all. The number of young and middle aged respondents (in 26-45 age group) is three times as middle and aged respondent (in 46-55 age group), and five times as youngsters (in 16-25 age group).

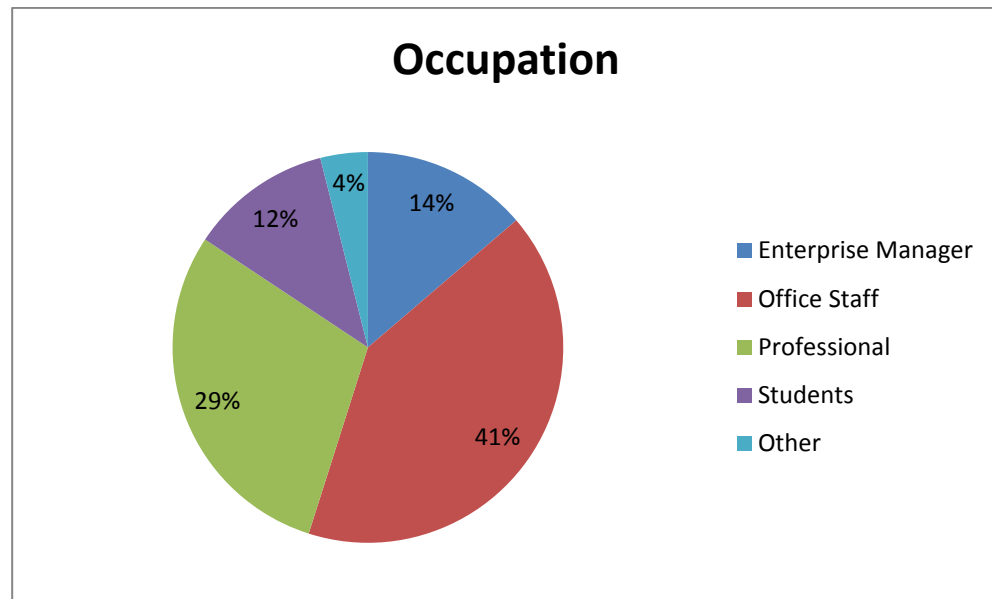


Figure 10: Occupation of the respondents

It can be seen in the figure10, the largest number of customers are engage in office staff, which accounted for 41% of all. The second largest job group is professionals with the ratio 29%. Then the order is enterprise manager (14%), students (12%) and others (4%).

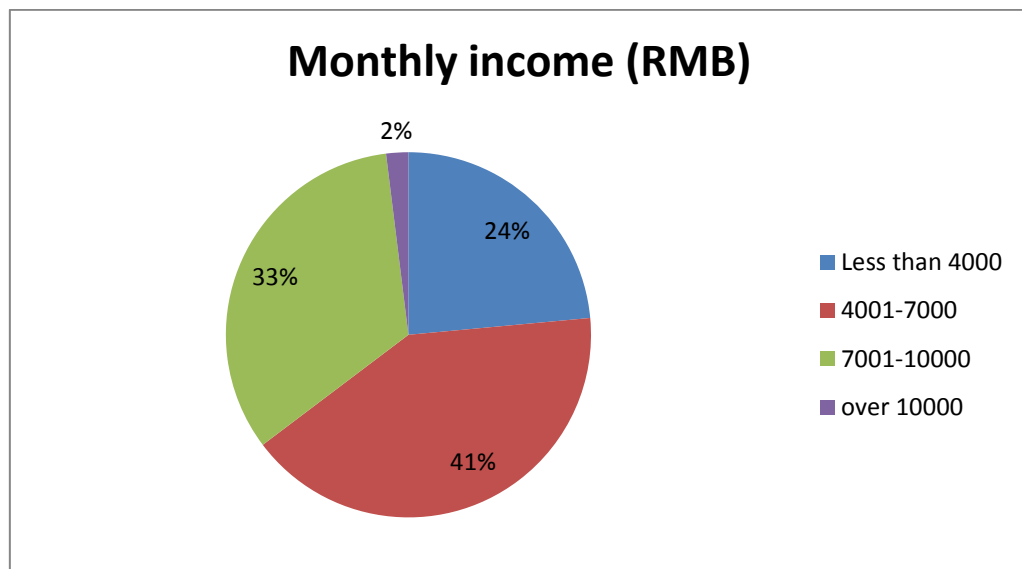


Figure 11: Monthly Income of the respondents

We can know from the above figure that 41% of the cosmetic consumers in Beijing Wangfujing Department store earn 4001-7000 RMB per month (eight percent more than the second largest group); 33% of the consumers' monthly salary are between 7001 to 10000 RMB (nine percent

more than the consumers who earn less than 4000 RMB per month). The first two groups, with the total rate of 74% in all, constitute our main target customers. In other words, 74% of active cosmetic consumers' average monthly income is around 7000 RMB. Company can make a price policy for new Skin Food cosmetic products according to these figures. If every women cost 5%-10% monthly income in cosmetics, the price of a single product for Skin Food should be 350-700 RMB.

4.2.1.2 Question 4-6: Respondents' information about cosmetic products (frequency of use , cost, place for purchase)

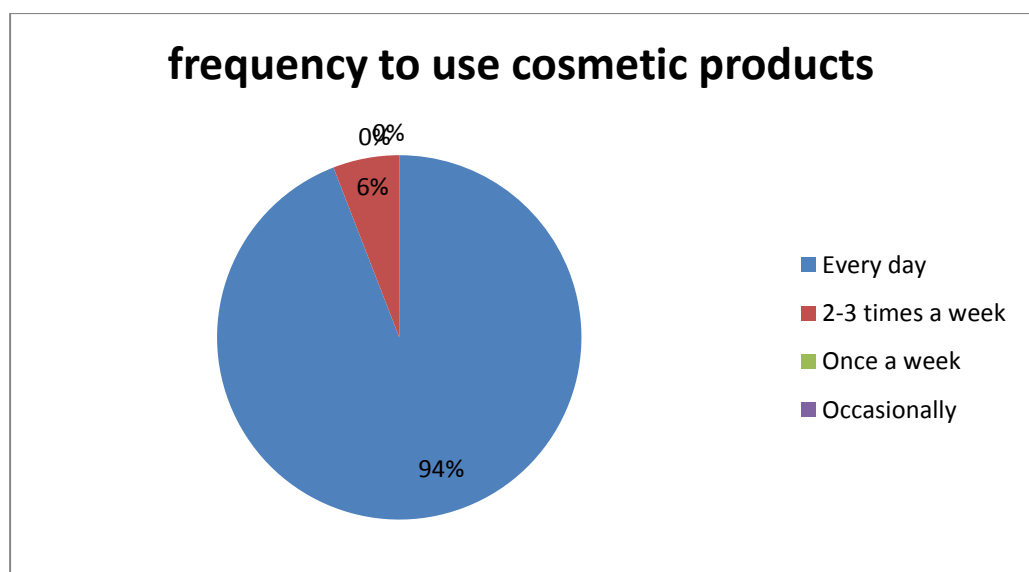


Figure 12: Respondents' frequency to use cosmetic products

It is obviously shown that 94% of the respondents use cosmetic products everyday. This also indicates that cosmetics are women's daily necessities of life. The company should hold this hot industry; try to develop more business opportunity on it.

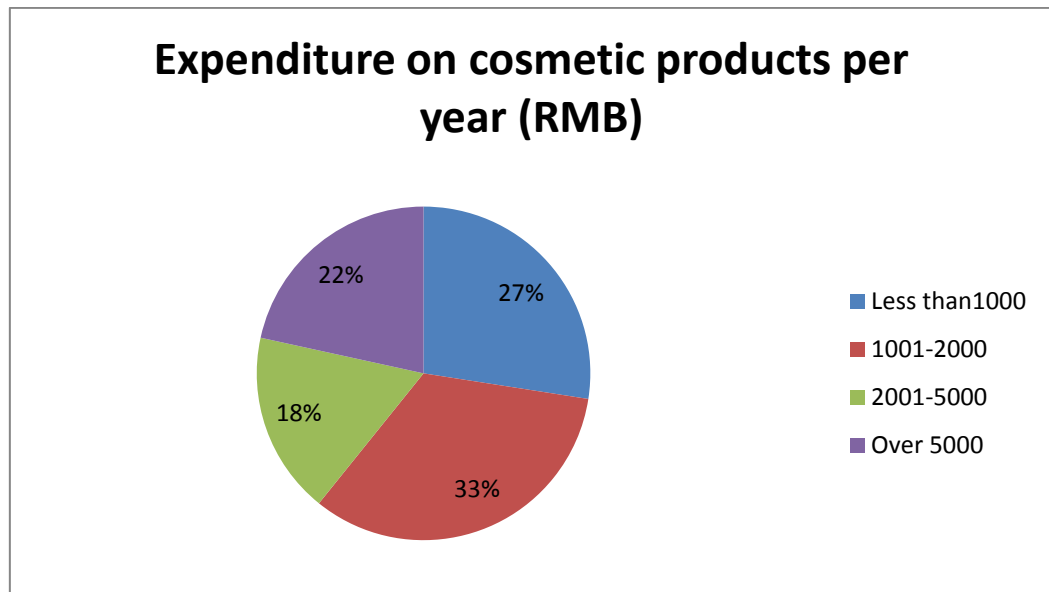


Figure 13: Respondents' expenditure on cosmetic products per year (RMB)

The figure above shows the respondents' expenditure on cosmetic products in a year period. Among them 33% women consumers spent 1001-2000 RMB per year in buying cosmetics; 27% people spent only less than 1000 RMB per year (six percent less than the first group). 22% consumers' expenditure is even over 5000 RMB (only five percent less than the second group); 18% of all costs 2001-5000 per year in cosmetics (only four percent less than the third group). We can see the rate difference between each group is smaller. This means consumers' yearly costs for cosmetics do not concentrate to one price area, but scattered.

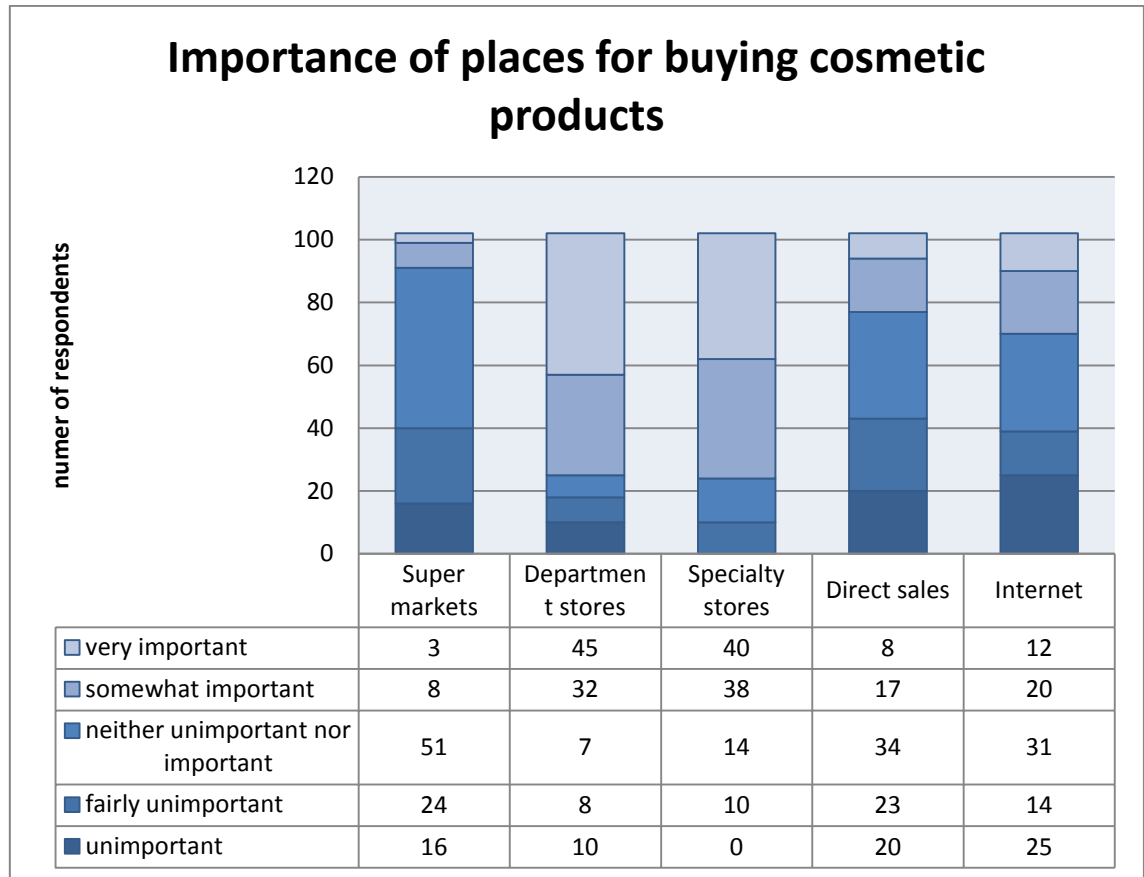


Figure 14: Importance of places for consumers buying cosmetic products

Question six asks target consumers where do they usually buy cosmetic products and the importance of each place of purchase is for them. It can be seen in the figure, super markets are neither unimportant or important for most consumers purchasing cosmetics, this is to say consumers sometimes buy cosmetics in super market; Department stores are very important place for target consumers, they often buy cosmetics there; Specialty stores have the similar situation with super markets, they are also an important place; Direct sales is neither unimportant or important for respondents, as well as the Internet.

From the above table we can draw a result: The importance order of each place for customers purchasing cosmetic is: Department stores (NO.1), Specialty store (NO.2), Internet (NO. 3), Direct sales (NO .4), and super market (NO. 5).

By making a comparison about “ very important ”place to buy cosmetics,, we can find that number of consumers who choose ” Department stores” is 1.125 times as ” Specialty store”, 3.75 times as ” Internet”, 5.6 times as ”Direct sales” and 15 times as ” super market”. So the Skin Food Company should set more selling points in department stores and specialty stores, and advertise its product on the internet.

4.2.2 Part 2: CONSUMERS' GENERAL ATTITUDES TOWARDS COSMETIC BRANDS

The second part investigates consumers' attitudes towards cosmetic brands, includes questions like "What is the major factor when you decide to choose a cosmetic brand?"; "If you try a new cosmetic brand, how important would you consider the following criteria?"; how many and what kinds of cosmetic brands respondents have used and so on.

4.2.2.1 Question 7: How much have the following factors influenced your decision to choose a cosmetic brand?

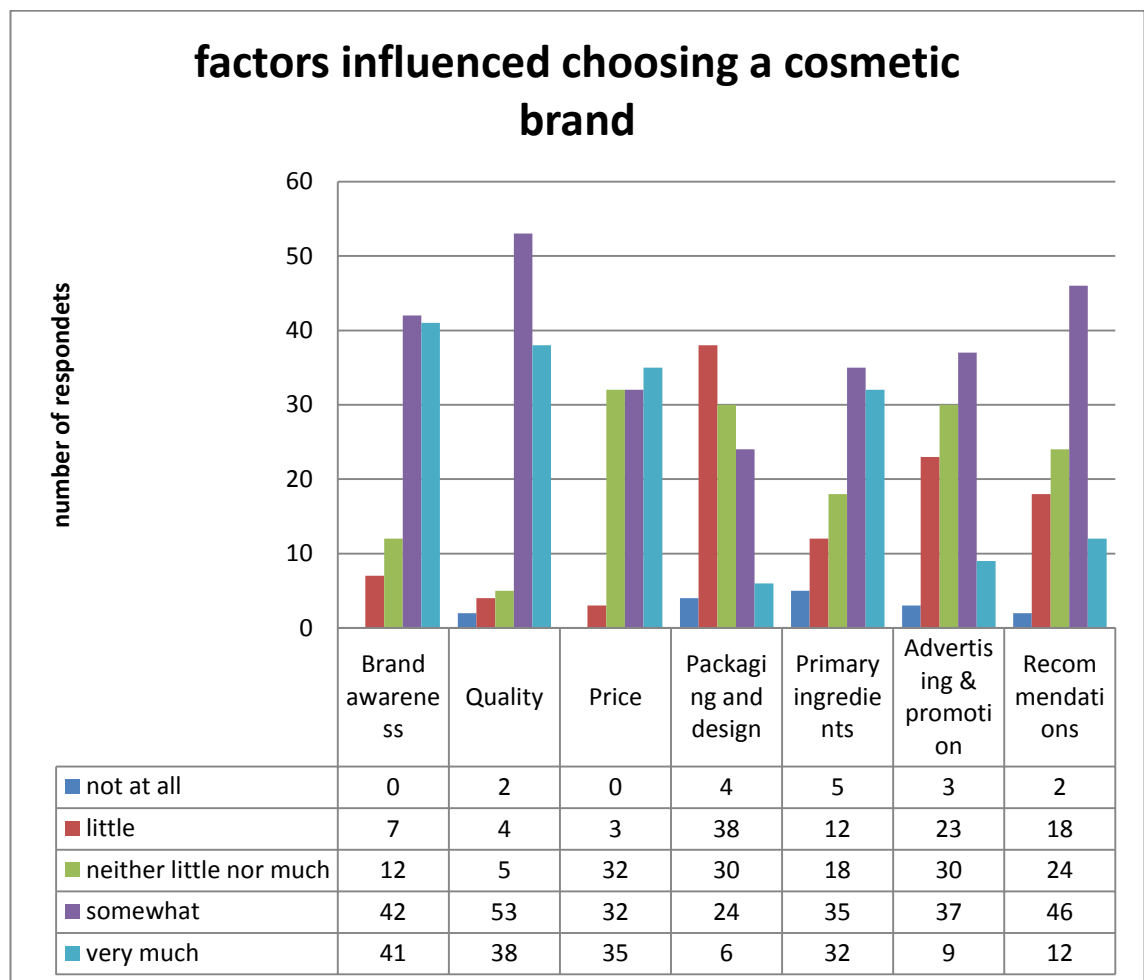


Figure 15: factors influenced choosing a cosmetic brand

This question examines how much have the selected factors influenced consumers' decisions to choose a cosmetic brand. These factors contain brand awareness, quality, price, packaging and design, primary ingredients, advertising & promotion, recommendations.

In the figure we can find that: About the option "brand awareness", 42 people (41% in all) think it is somewhat influence them when deciding to buy a cosmetic brand and 41 people (40% in all) think this factor influence their buying decision very much. About the option "quality", 53 people (52%) think it somewhat influence them and 38 people (37%) think it is a very much important factor in choosing cosmetics. About the option "price", 35 people (34%) feel it is a very much important factor, 32 people (31%) feel it is somewhat important, and another 32 people (31%) feel price has neither little nor much influence. 38 people (37% in all) think " packaging and design" has little influence on their buying process but 30 people (29%) think it is neither little nor much and 24 people (23%) think it is somewhat important. About "primary ingredients" option, 35 people (34%) chose " somewhat" while 32 people chose " very much". 37 people (36% of all the respondents) feel " advertising & promotion" somewhat influence them when they buy a cosmetic brand; 46 people (45% of all) consider " recommen-dations" as a somewhat important factors that influence their final decision.

But what is a most important factor which affects consumers' decision in choosing a cosmetic brand? We can draw a conclusion after analyzing the "very much" options. In the "very much influenced" options, there are 41 people (40% in all) from " brand awareness", 38 people (37% in all) from "quality", 35 people (34%) from "price" and 32 people (31%) from " primary ingredients". Comparing with these four factors, the people from " packaging and de-sign", "advertising & promotion", "recommendations" are only 27 (26%) altogether.

So brand awareness, quality, price, primary ingredients are important factor that affecting customers' choice of a cosmetic brand. And " brand awareness" is the most important factors of all. The case company should improve its brand awareness in order to attract more customers.

4.2.2.2 Question 8-10: How many kinds and what type, which kinds of cosmetic brands have you used recently?

How many brands of cosmetic products have you used in past weeks?

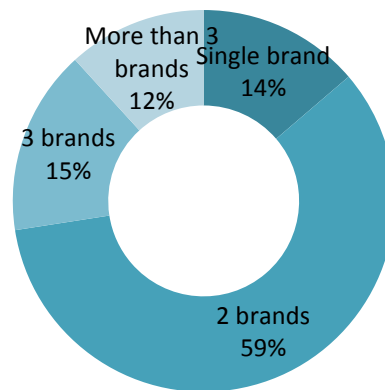


Figure 16: How many brands of cosmetics have respondents used

Figure 16 shows how many brands of cosmetic products customers have used in past weeks. Obviously, 59% respondents use two brands recently, about three times more than the respondents who use three brands (15%). 14% from all respondents use only one brand and 12% use more than three brands.

Which type of cosmetic products from your favorite brand do you often buy?

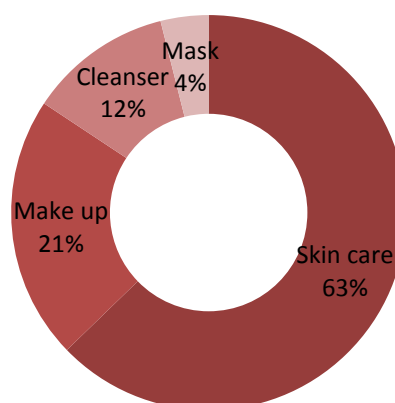


Figure 17: Which type of cosmetic product customers often buy

Figure 17 shows what types of cosmetic products which respondents often buy from their favorite brands. We can know from the figure, 63% women often buy skin care cosmetic brand while 21% women often buy make- up products. Cleanser and mask buyers only make up approximately a quarter of skin care buyers. This ratio shows that, Skin Food Company should emphasize on skin care products in its product line.

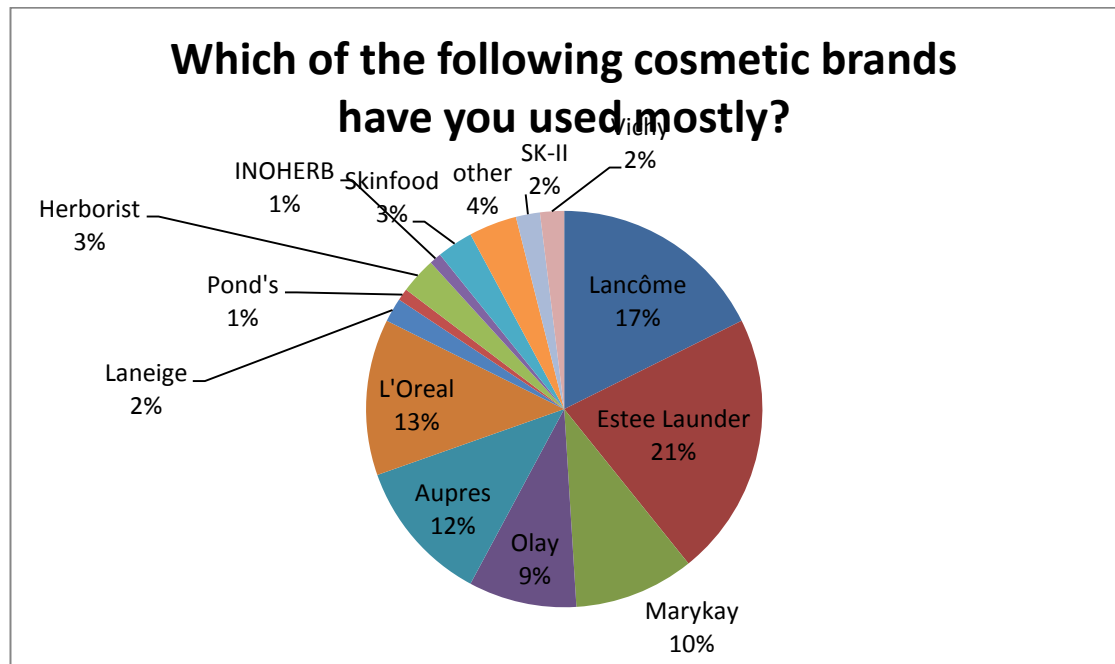


Figure 18: Which of the following cosmetic brands have you used mostly?

The above figure shows cosmetic brands which respondents use mostly. We can find the result that among all kinds of cosmetic brands, Estee Lauder (from U.S.A) is the most popular one, and 21% of respondents always use this brand. The second popular cosmetic brand is Lancôme from France, the frequency of use is also high-17% supporters. The third frequently used brand is L'Oreal from Paris, 13% users. And next two popular brands are Aupres (China) with 12% users and Marykay (U.S.A.) with 10% users.

The case company's brand -Skin Food has only 3% users among this research's respondents. Definitely, there are still large gaps between the case company' brand and the internationally renowned brands, and there are still lots of space for Skin Food to go.

4.2.2.3 Question 11: Do you agree with the following statements?

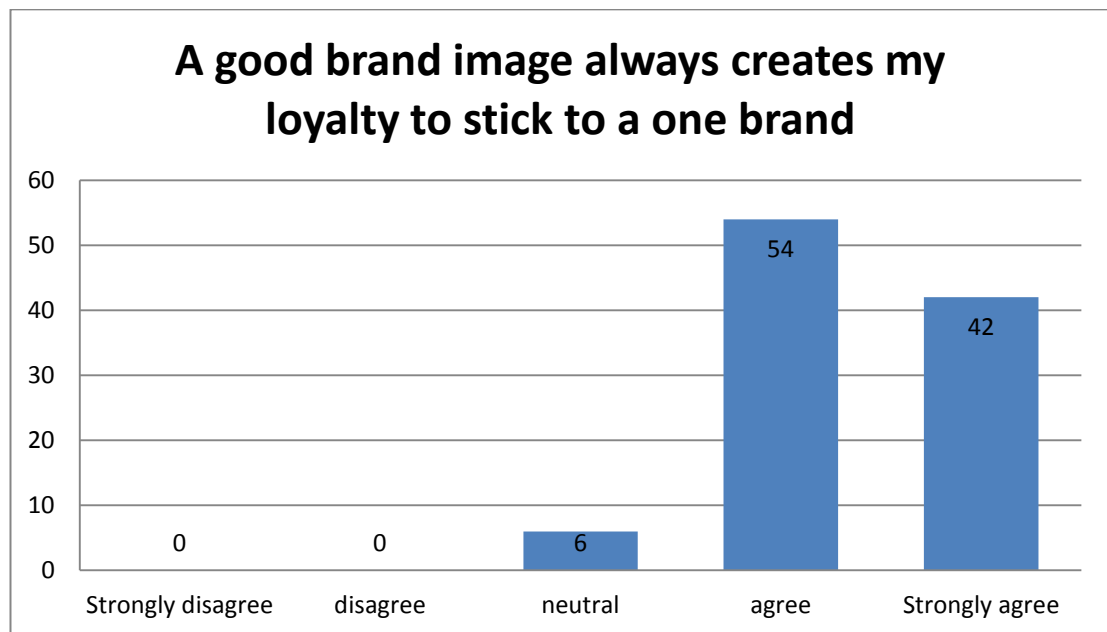


Figure 19: A good brand image always creates my loyalty to stick to a one brand?

More than 50% respondents agree that a good brand image always creates their loyalty to stick to a one brand; over 40% respondents strongly agree this statement. So establishing a good brand image is very favorable for the case company's long-term development.

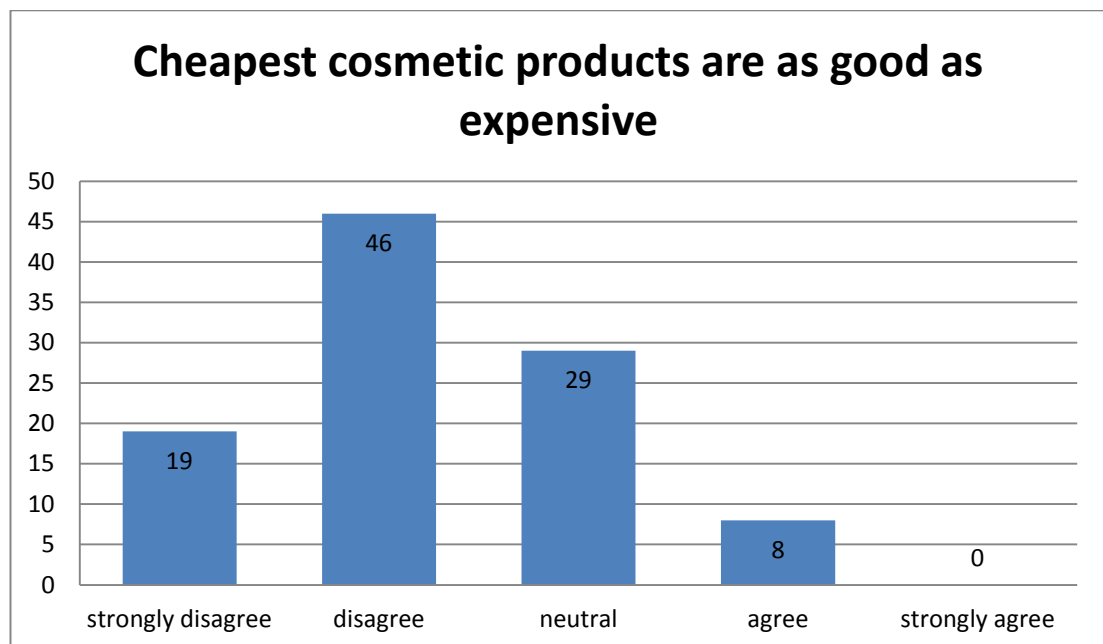


Figure 20: Cheapest cosmetic products are as good as expensive?

About the statement “Cheapest cosmetic products are as good as expensive”, 46 respondents disagree with it, 29 respondents remain neutral, and there are 19 people strongly disagree with it and only 8 people agree with it. The ratio of disagree to agree is about 8:1.

This research result shows consumers now do not believe cheaper cosmetic products have the same good quality with the expensive ones. So a substantial price drop is not an effective mean for case company’s promotion.

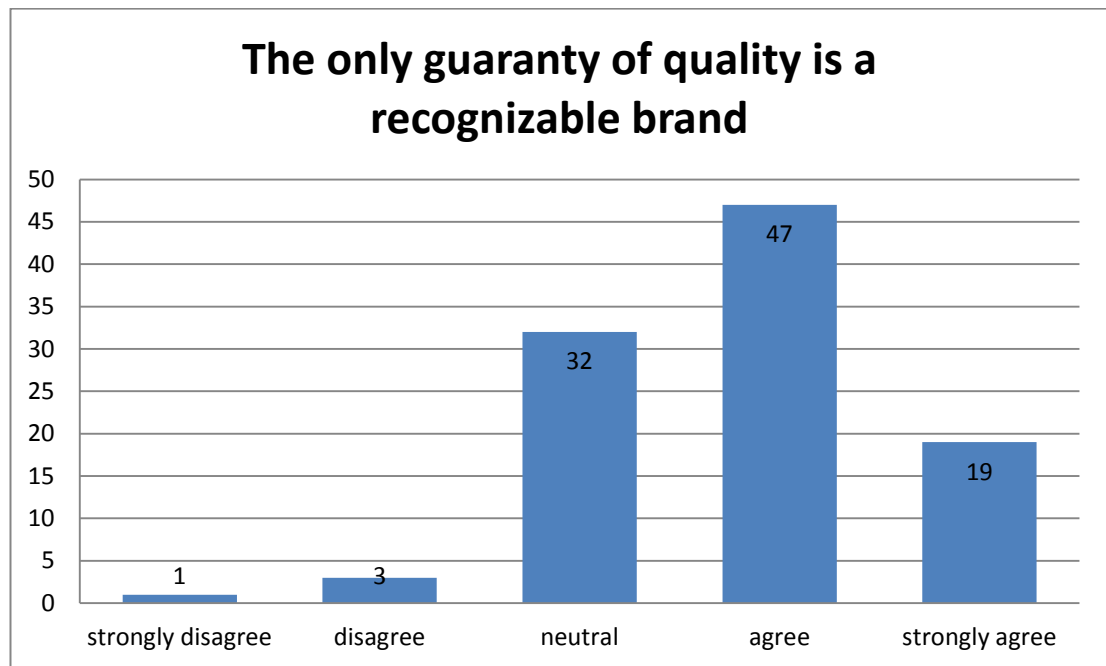


Figure 21: The only guaranty of quality is a recognizable brand?

In figure 21 we can see, 47 respondents agree with this saying” The only guaranty of quality is a recognizable brand”, 32 respondents remain neutral to this; 19 people strongly agree, only 4 people disagree. The investigation result indicates more than 60 percent of respondents agree or strongly agree with the given statement while only 4 percent of respondents disagree with this. Most of them believe that cosmetics from a recognizable brand must have good quality.

Just as Professor Keller says, (2012, 2) a strong brands ability help consumers to simplify decision making, reduce risk, and set expectations. Creating strong brands and maintaining and enhancing the strength of the brands over time, is a management imperative for the Skin Food Company.

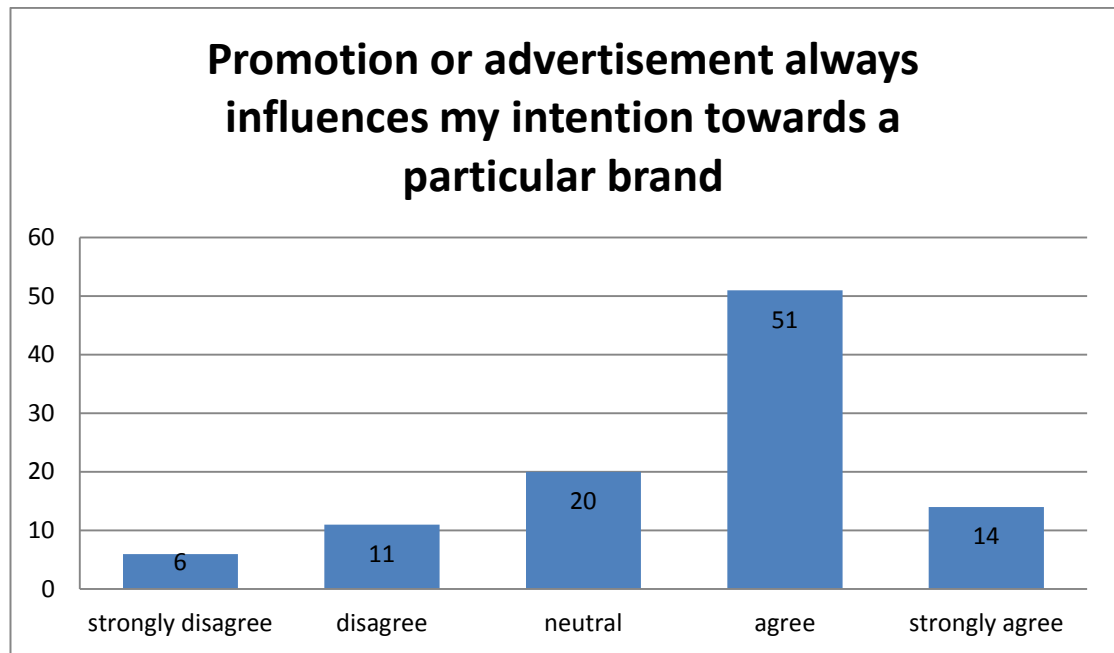


Figure 22: Promotion or advertisement always influences my intention towards a brand?

Figure 22 shows us the research results concerning the promotion or advertisement. We can find from the figure, 51 respondents agree that promotion or advertisement always influences their intention towards a particular brand; 20 respondents remain neutral; 14 respondents strongly agree with this statement and 11 people disagree. The investigation result demonstrates over 60 percent of respondents agree or strongly agree with this statement.

The ratio of agree to disagree are about 4:1. That is to say, promotion or advertisement are still influential factors for customers' attitudes towards a brand.

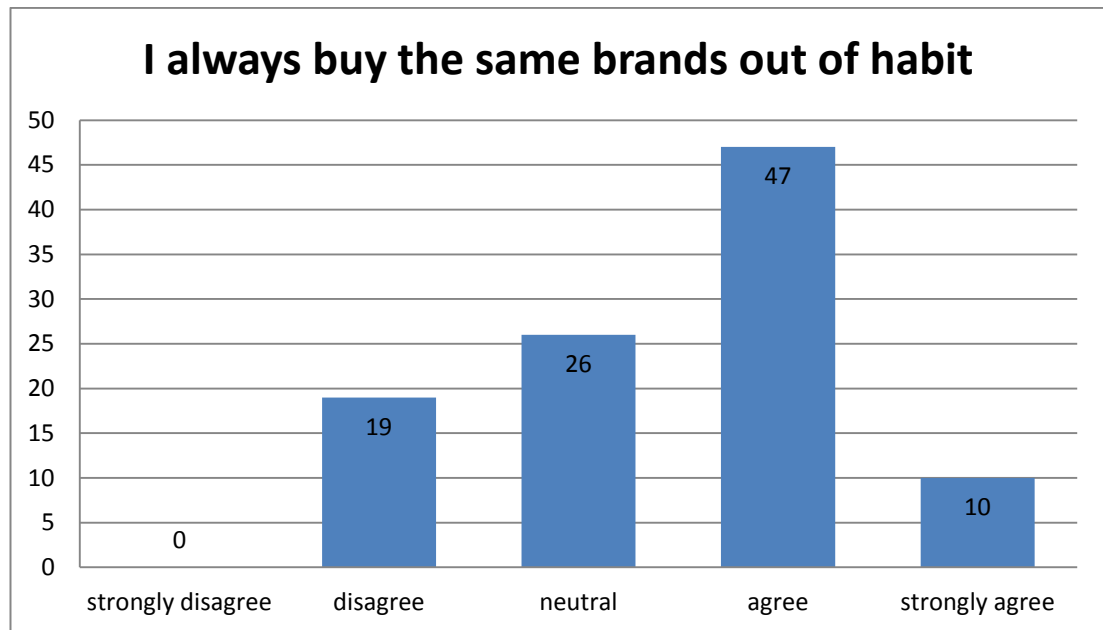


Figure 23: I always buy the same brands out of habit?

It can be seen from the figure 23, 47 respondents agree that they always buy the same brand out of habit; 10 respondents strongly agree with this statement ; 26 respondents gave neutral choices; and 19 people disagree with it. The results proved that more than half of the respondents always buy the same brands out of habit. This also indicates that general consumers' loyalty to a cosmetic brand is high.

4.2.2.4 Question 12: If you try a new cosmetic brand, how important would you consider the following criteria?

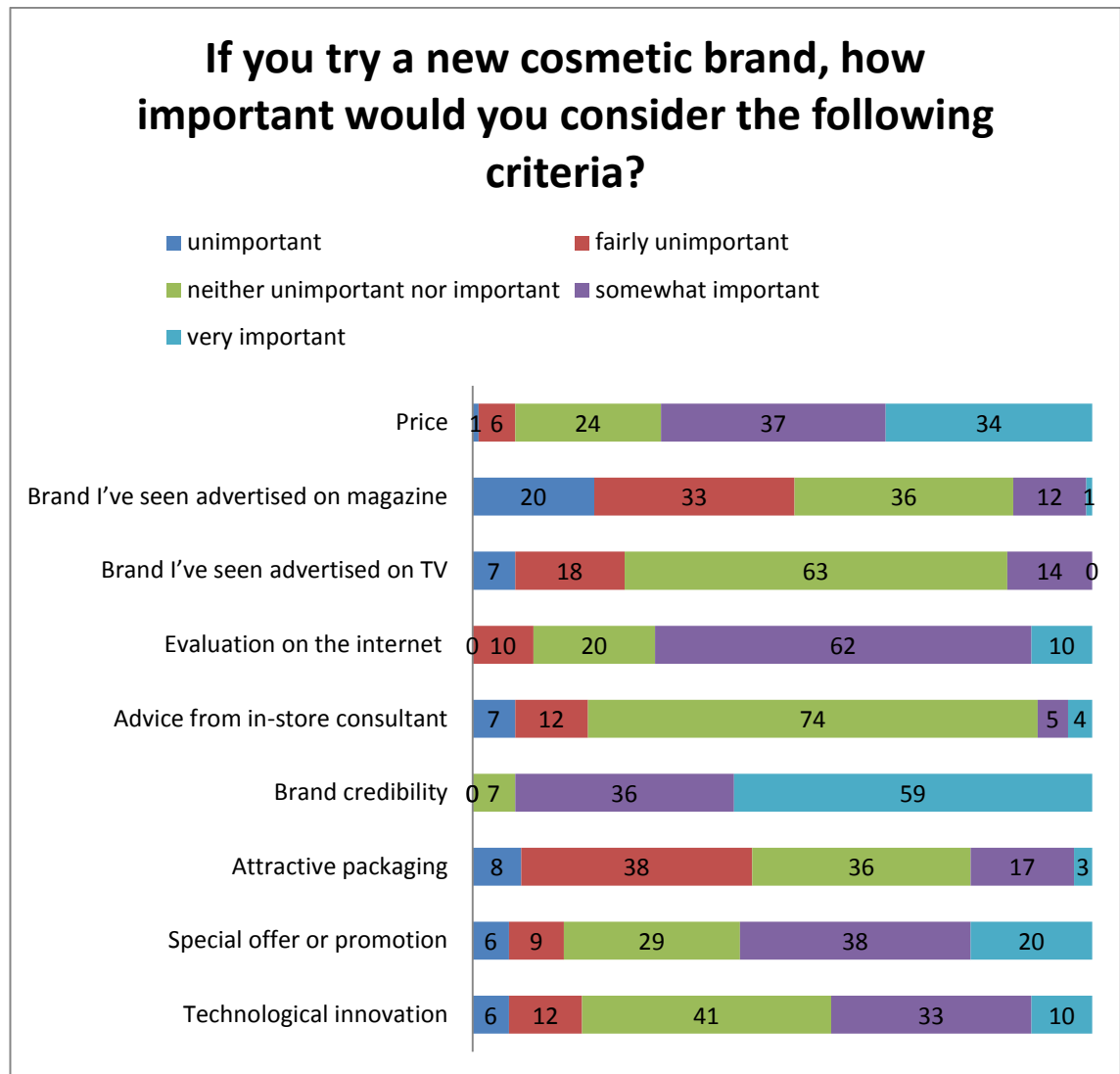


Figure 24: If you try a new cosmetic brand, how important would you consider the following criteria?

In question 12 respondents were asked if they try a new cosmetic brand, how important would they consider some criteria. These given criteria contain technological innovation, special offer or promotion, attractive packaging, brand credibility, advice from in-store consultant, evaluation on the internet, brand I've seen advertised on TV, brand I've seen advertised on magazine and price. Figure 24 clearly shows respondents' attitude towards each criteria.

We can see in this figure, major customers consider "technological innovation" as a neither unimportant nor important criteria if they try to use a new cosmetic brand; "Special offer or promotion" as a somewhat important criteria and "attractive packaging" as a fairly unimportant criteria. As to "brand credibility", most of customers think it is very important when trying a new cosmetic; great majority of respondents think "advice from in-store consultant"

is neither unimportant nor important; and "evaluation on the internet" is a somewhat important criteria ; "brand I've seen advertised on TV" is considered by most respondents as a neither unimportant nor important criteria if they trying a new cosmetic brand, as well as "brand I've seen advertised on magazine". "Price" is considered as a somewhat important criteria by many customers when they attempting a new cosmetic brand.

But above all, by analyzing and comparing "very important" option in each criteria, the most significant assessment we can make is : brand credibility, price , special offer or promotion are three very important criteria when respondents trying a new cosmetic brand.

4.2.3 Part 3: BRAND AWARENESS AND BRAND IMAGE OF SKINFOOD

The third part examines the brand awareness and brand image of SKINFOOD, questions are designed as "What do you know about the cosmetic brand SKINFOOD?" or "If you are a SKINFOOD user, what is the reason you chose this brand?"

4.2.3.1 Question 13-14: What do you know about the cosmetic brand SKINFOOD? How do you know this brand?

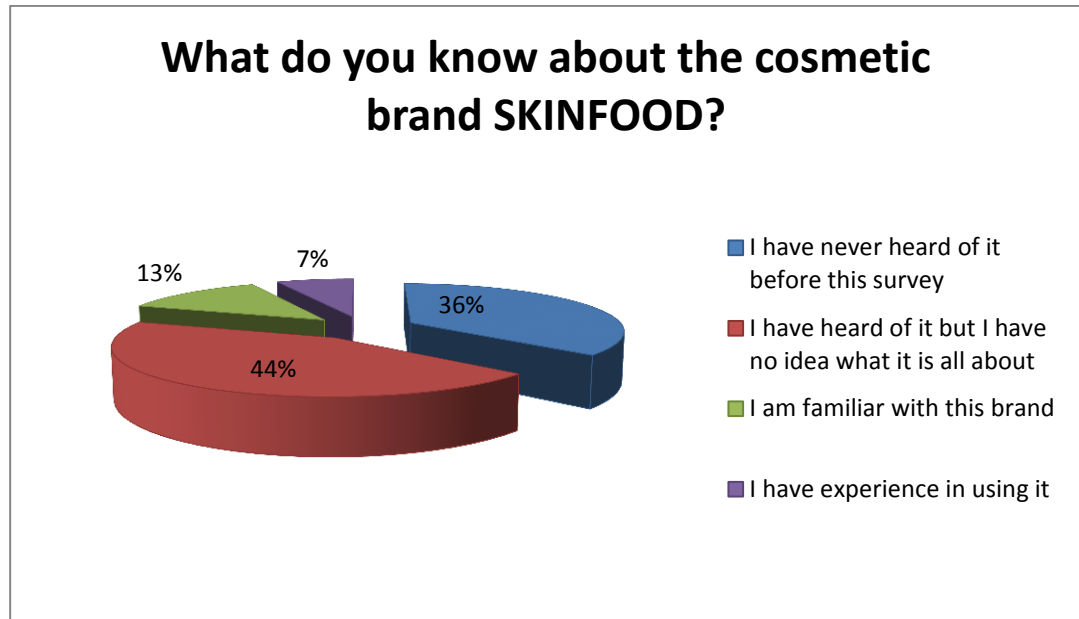


Figure 25: What do you know about the cosmetic brand SKIN FOOD?

As it is revealed in figure 25, 44% of respondents have heard of the brand SKINFOOD but have no idea what it is all about; 36% respondents never heard of it before; only 13% respondents are familiar with the researched brand (about one third of the respondents who never heard of SKINFOOD), and 7% have using experience. The survey results tell us eighty percent of respondents are unfamiliar with the brand SKIN FOOD. The case company's brand awareness is not high in target area. Due to the brand's small sizes and low recognition, the case company should utilize effective marketing channels to advertise its brand.

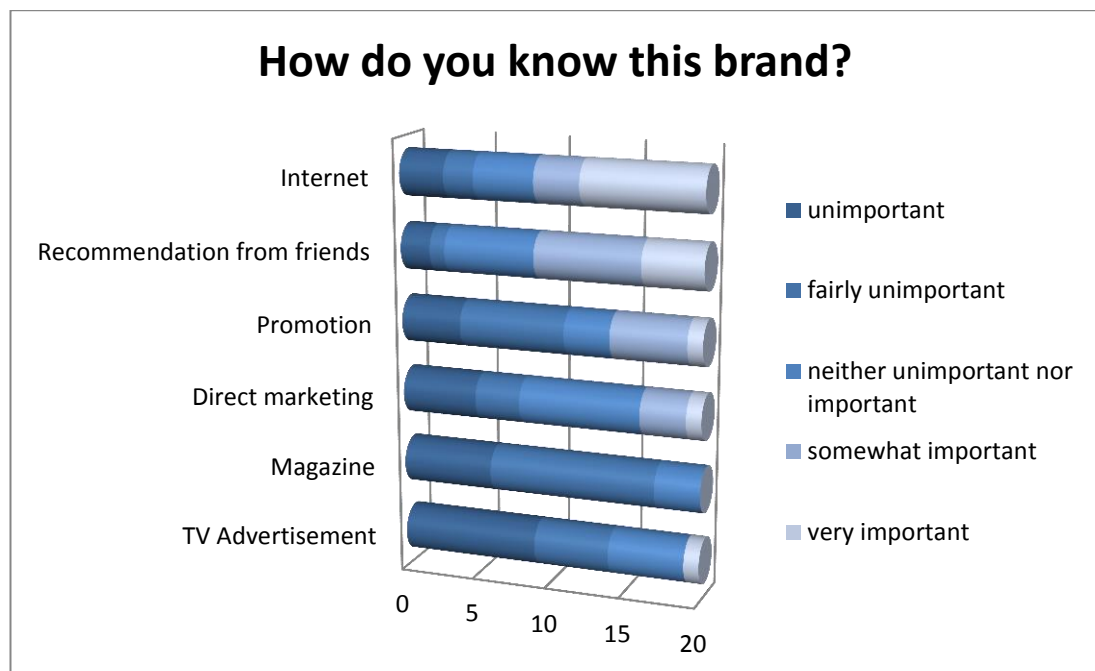


Figure 26: How do you know this brand?

Question 14 asks respondents how they know the brand SKIN FOOD, and how important is each distribution channel to them. It can be seen from the figure, Internet is a very important channel for customers to know the brand SKIN FOOD; recommendation from friends is somewhat important; promotion is fairly unimportant channel; direct marketing is neither unimportant nor important criteria for customers to know this brand; Magazine is a fairly unimportant channel and TV advertisement is unimportant for respondents to know SKIN FOOD brand. The investigation result indicates most respondents know SKIN FOOD through internet or recommendation from friends.

4.2.3.2 Question 15: If you are a SKINFOOD user, the reason you chose this brand is?

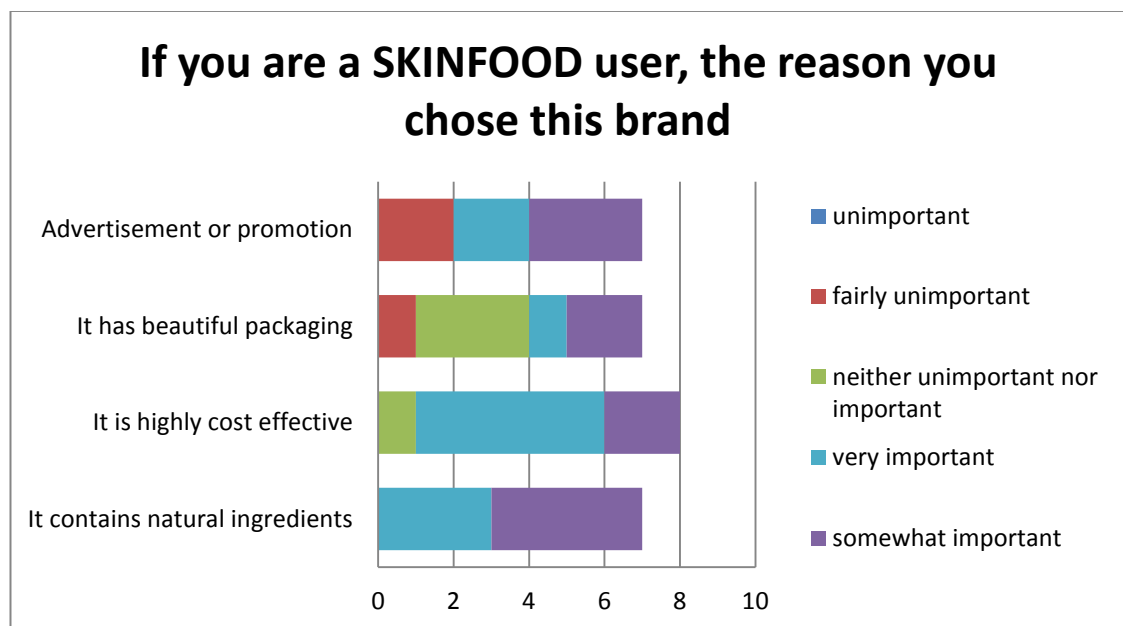


Figure 27: If you are a SKINFOOD user, the reason you chose this brand?

Question 15 asks respondents if they are SKINFOOD user, what are the reasons they chose this brand and how important each reason to them. Figure 27 shows us the result: "It contains natural ingredients" is a somewhat important reason for customers who chose SKIN FOOD brand; "It is highly cost effective" is a very important reason; "It has beautiful packaging" is neither unimportant nor important; "Advertisement or promotion" is a somewhat important reason for respondents who chose the case brand. We can get the information that most respondents choose the brand skin food because they think "It is highly cost effective".

4.2.3.3 Question 16-18: Opening Questions

Question 16-18 asks respondents who have experience in using SKINFOOD, their feelings and suggestions to this brand. According to the survey result, 95% SKINFOOD users like this brand and gave it good evaluation. Most users like to use skin cream and toners from the case brand.

The users also gave some good suggestions to SKINFOOD brand : Firstly, SKINFOOD should send some free samples to customers in order to win customers' attention and confirmation; secondly, SKINFOOD should set more specialty stores and web sites for consumers to visit and know the advantages of this brand; lastly, SKINFOOD should increase advertisement, using different kinds of media including newspapers, magazines, television, billboards, mailings, etc, otherwise SKINFOOD's brand awareness is low.

5 Conclusion and Recommendations

5.1 Conclusion

This thesis is done with the purpose of helping case company Skin Food (Beijing branch) to know about target customers' buying behavior and influencing factors when purchasing cosmetic brands, as well as the brand awareness of the Skin Food brand. The author conduct this marketing research in the form of questionnaire to achieve thesis objective: find out what are the factors affecting women's choice of a cosmetic brands in the research area (Beijing Wangfujing Department Store), and how can case company create profitable brand strategies in target market. By collecting opinions from respondents towards cosmetic brands which they use and need at present, the author have got some useful information and valuable advice for the case company.

According to the analysis of research results, most target customers are in the 26-45 age period, engaged in office staff or professionals, their average monthly income is around 7000 RMB. The consumers' yearly costs for cosmetics don't concentrate to one price area, but scattered, from less than 1000 RMB per year to over 5000 RMB per year. They usually buy cosmetic products in department stores or specialty stores. Nearly all of them use cosmetics every day. Most of women use two kinds of cosmetic brands at the same time, and they buy skin care cosmetic brand more than other types. This valuable background information will assist case

company in making a suitable price policy, selling points, sales location and products line for Skin Food brand, matching the demand of target consumers in the future.

With regard to the core research problem, what are the factors affecting women's choice of a cosmetic brands, result of the survey shows that: the majority of respondents think brand awareness influence their buying decision very much, the second influencing factor is quality of products; the third one is price. Although primary ingredients, recommendations from friends, advertising & promotion somewhat influence respondents when they choose a cosmetic brand, these factors are not so important as brand awareness, quality and price.

We can also see in this investigation, when respondents trying a new cosmetic brand, they consider brand credibility, price, special offer or promotion as three very important criteria for them.

When analyzing the survey statistical reports, the author was amazed to find that brand awareness and brand credibility has displaced the pricing or promotion factors, becoming the first consideration factor when consumers selecting cosmetic brands at present. Figure 19 shows us 90 percent of respondents agree that a good brand image always creates their loyalty to stick to a one brand; In figure 21, more than 60 percent of respondents agree with the saying "The only guaranty of quality is a recognizable brand", this means they believe that cosmetics from a recognizable brand must have good quality. But when referring to "Cheapest cosmetic products are as good as expensive", 64 percent of them disagree with it.

The survey result shows consumers now do not believe cheaper cosmetic products have the same good quality with the expensive ones. So a substantial price drop is not an effective mean for case company's promotion. Instead, strong brands awareness can indeed affect consumers' decision making in the process of choosing cosmetic brands.

It is a pity that the case company's brand awareness is not high among the target customers according to the survey results, so creating strong brands and maintaining and enhancing the strength of the brand equity over time, is a management imperative for the Skin Food Company. Besides this, quality and primary ingredients of cosmetic products, advertising & promotion, recommendations, also play a supporting role to attracting customers' attention.

5.2 Recommendations

Despite the fact that Skin Food Company has unique ingredients and innovative ideas in its cosmetic products, and also enjoys a high reputation in its origin country Korea, it is still a

new brand to Chinese consumers. The survey results reveals that brand awareness and brand credibility is the most important factor affecting customers' choice of brand, but according to the research, eighty percent of respondents are unfamiliar with Skin Food. Due to this brand's limited impact and low brand awareness in target selling area, the author recommend Skin Food Company utilize some effective ways to advertise its brand, improving its brand awareness in order to win more customers' attention and confirmation.

The first important measure for Skin Food is to set up more specialty stores and distribution points in department stores for consumers to visit and know this brand. The research shows target consumers often buy cosmetics in department stores or specialty stores, but the majority of Skin Food's users know this brand from internet. Core consumers seldom see Skin Food in the places they like to purchase cosmetics, this of course Influence Skin Food's brand awareness.

The second step in promoting brand awareness for Skin Food is using different kinds of media to make advertisement for the brand. The author suggest Skin Food should advertise on fashion magazines liked by modern women , television, billboards, creating a favorable and positive brand image in selling area.

Skin Food should also leverage and enhance its product superiority--- natural ingredients from foods. Along with the rise of global new health concept and new tidal current of coming back to nature, pure natural cosmetic products become more and more favored. According to the survey, 31% respondents consider primary ingredients are very important factor that affecting their choice of a cosmetic brand. Skin Food Company should send some free samples to customers in order to let more people understand the advantage of their products.

With regard to the pricing policy, Skin Food aimed at middle-class consumers. If the cosmetic products are moderately priced, people of average means can afford to buy them.

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Appendix 1: Chinese version of customers' questionnaire



关于化妆品品牌的顾客调查问卷

您好，我们正在进行一个消费者对化妆品品牌态度的调查研究。研究目的是了解当今消费者对于化妆品品牌的选择和看法以及对思亲肤（SKINFOOD）这个品牌的认识。请回答这份调查问卷来帮助我们的研究。这份问卷大概需要占用您 3-5 分钟时间。您的回答对我们的调查结果非常重要和宝贵。

在这次调查中，我们把化妆品定义为：护肤品，彩妆，香水类和护发类。

请选择认为最能表达您的看法的选项。并且在需要处填写您的答案。

非常感谢您的合作！

第一部分：基础信息

1. 您的年龄是？

- A. 16-25 岁 B. 26-35 岁 C. 36-45 岁 D. 46-55 岁 E. 大于 55 岁

2. 您的职业是？

- A. 企业管理者 B. 公司职员 C. 专业人员 (律师, 教师, 医生等.) D. 学生
E. 其他, 请说明_____

3. 您的月薪为 (人民币)?

- A. 少于 4000 B. 4001-7000 C. 7001-10000 D. 超过 10000

4. 您多久使用一次化妆品?

- A. 每天 B.每周 2-3 次 C. 每周一次 D. 偶尔

5. 您大概平均每年在化妆品上花费多少钱 (人民币)?

- A. 少于 1000 B. 1001-2000 C. 2001-5000 D. 大于 5000

6. 您通常在哪购买化妆品? 请按照 1-5 的程度描述每个购买地点对你的重要性 (1- 完全不重要 2- 不重要 3-一般 4-重要 5- 非常重要)

A. 超市	1	2	3	4	5
B. 百货商厦	1	2	3	4	5
C. 专卖店	1	2	3	4	5
D. 直销	1	2	3	4	5
E. 网上	1	2	3	4	5

第二部分：消费者对于化妆品品牌的态度

7. 什么是你决定选择一个化妆品品牌的主要因素? 请按照 1-5 的程度描述每个因素对你的重要性 (1- 完全不重要 2- 不重要 3-一般 4-重要 5- 非常重要)

A. 品牌知名度	1	2	3	4	5
B. 质量	1	2	3	4	5
C. 价格	1	2	3	4	5
D. 包装和设计	1	2	3	4	5
E. 主要成分	1	2	3	4	5
F. 广告和促销	1	2	3	4	5
G. 他人推荐	1	2	3	4	5

8. 最近几周里你用过几种化妆品?

- A. 一种 B. 两种 C. 三种 D. 三种以上

9. 在你最喜欢的化妆品品牌中, 你经常购买的是哪类化妆品?

- A. 护肤品 B. 彩妆类 C. 清洁类 D. 面膜

10.你经常使用的是哪种化妆品品牌? 请填空:

我总是使用 _____, 常常使用 _____, 有时候用 _____, 较少地使用 _____.

(你可以从下面选项中选择, 也可以填写选项中没有出现的品牌)

- | | | | |
|----------------------|-----------------|---------------|------------------|
| A. L'Oreal 欧莱雅 | B. Lancôme 兰蔻 | C. SK-II | D. Aupres 欧珀莱 |
| E. Olay 玉兰油 | F. Laneige 兰芝 | G. Avon 雅芳 | H. Herborist 佰草集 |
| I. Shiseido 资生堂 | J. Skinfood 思亲肤 | K. Nivea 妮维雅 | L. Marykay 玫琳凯 |
| M. Estee Lauder 雅诗兰黛 | N. DHC | O. Vichy 薇姿 | P. ETUDE 爱丽 |
| Q. Pond's 旁氏 | R. Clinique 倩碧 | S. Lumene 优姿婷 | T. INOHERB 相宜本草 |

11. 关于下面描述, 请选择你的看法: (1 = 强烈反对 / 2 = 反对 / 3 = 中立 / 4 = 赞同 / 5 = 非常赞同)

一个良好的品牌形象总是能让我坚持使用这个品牌.

1 2 3 4 5

价格便宜的化妆品和贵的一样好.

1 2 3 4 5

质量的唯一保证就是一个大众认可的品牌.

1 2 3 4 5

促销和广告总是影响我选择某个化妆品品牌.

1 2 3 4 5

出于习惯, 我经常买同一个品牌的化妆品.

1 2 3 4 5

12. 如果你准备试用一个新品牌的化妆品, 以下条件你认为哪些对你影响比较大? (1- 完全不重要 2- 不重要 3-一般 4-重要 5- 非常重要)

技术革新	1	2	3	4	5
特别优惠或促销	1	2	3	4	5
吸引人眼球的包装	1	2	3	4	5
品牌信誉	1	2	3	4	5
商店导购员的建议	1	2	3	4	5
网上的评价	1	2	3	4	5
电视广告	1	2	3	4	5
杂志广告	1	2	3	4	5
价格	1	2	3	4	5

第三部分：思亲肤（SKINFFOD）的品牌知名度和品牌形象调查

13. 你对于思亲肤（SKINFOOD）这个化妆品品牌了解吗？

- A. 在这次调查问卷之前我从未听说过这个品牌.
- B. 我听说过，但是我不知道它是什么.
- C. 我熟悉这个品牌.
- D. 我有这个品牌的使用经验.

14. 你是怎么知道这个品牌（思亲肤）的？请按照 1-5 的程度描述每个选项对你的重要性 (1- 完全不重要 2- 不重要 3-一般 4-重要 5- 非常重要)

A. 从电视广告上	1	2	3	4	5
B. 从杂志广告上	1	2	3	4	5
C. 从直销商	1	2	3	4	5
D. 促销 (比如打折，试用小样)	1	2	3	4	5
E. 朋友推荐的	1	2	3	4	5
F. 从网上知道的	1	2	3	4	5

15. 如果你是思亲肤的使用者，你选择这个品牌的原因是：请按照 1-5 的程度描述每个选项对你的重要性 (1- 完全不重要 2- 不重要 3-一般 4-重要 5- 非常重要)

A.它含有天然成分.	1	2	3	4	5
B. 它性价比很高.	1	2	3	4	5
C. 它的包装设计非常漂亮.	1	2	3	4	5
D. 广告或促销原因.	1	2	3	4	5
E. 其他原因 (请说明) :_____					

16. 如果你使用过思亲肤（SKINFOOD）品牌，你曾经用过它的哪些产品?

17. 你觉得思亲肤这个品牌怎么样? 你喜欢吗?

18. 请对思亲肤品牌提出一些建议.

非常感谢你的回答!

Appendix 2: English version of customers' questionnaire



A SURVEY ON CUSTOMERS' RESPONSES TOWARDS COSMETICS BRANDS

We are conducting an investigation on consumer attitude on cosmetic brands. The purpose of this research is to identify people's attitudes towards cosmetic brands and their attitudes on the brand SKINFOOD. Please help us conduct our study by answering this questionnaire. It probably takes just 3 minutes. Your answer will be quite important and highly valued for the consequences of this survey.

In this survey, we define cosmetic product as: Skin care, Make up, Fragrance and Hair care.

Instructions: Please circle the answer that best describes your opinion, or fill in your answer where applicable.

Thank you very much for your time and cooperation!

I GENERAL INFORMATION

1. What's your age?

- A. 16-25 B. 26-35 C. 36-45 D. 46-55 E. over 55

2. What's your occupation?

- A. Enterprise Manager B. Office Staff C. Professional (lawyers, teachers, doctors etc.) D. Students
E. Other, please specify_____

3. What's your monthly income (RMB)?

- A. Less than 4000 B. 4001-7000 C. 7001-10000 D. Over 10000

4. How frequently do you use cosmetic products?

- A. Every day B. 2-3 times a week C. Once a week D. Occasionally

5. How much money (on average) do you spend on cosmetic products per year (RMB)?

- A. Less than 1000 B. 1001-2000 C. 2001-5000 D. over 5000

6. Where do you usually buy cosmetic products? Please state on a scale from 1 to 5 how important each place of purchase is for you (1- unimportant 2- fairly unimportant 3- neither unimportant nor important 4- somewhat important 5- very important)

A. Super markets	1	2	3	4	5
B. Department stores	1	2	3	4	5
C. Specialty stores	1	2	3	4	5
D. Direct sales	1	2	3	4	5
E. Internet	1	2	3	4	5

2 CONSUMERS' GENERAL ATTITUDES TOWARDS COSMETIC BRANDS

7. How much have the following factors influenced your decision to choose a cosmetic brand? Please circle the right choice on a 1 to 5 scale (1- not at all 2- little 3- neither little nor much 4- somewhat 5- very much)

A. Brand awareness	1	2	3	4	5
B. Quality	1	2	3	4	5
C. Price	1	2	3	4	5
D. Packaging and design	1	2	3	4	5
E. Primary ingredients	1	2	3	4	5
F. Advertising & promotion	1	2	3	4	5
G. Recommendations	1	2	3	4	5

8. How many brands of cosmetic products have you used in past weeks?

- A. Single brand B. 2 brands C. 3 brands D. More than 3 brands

9. Which type of cosmetic product from your favorite brand do you often buy?

- B. Skin care B. Make up C. Cleanser D. Mask

10. Which of the following cosmetic brands have you used mostly? Please fill in the blank:

I always use _____, often use _____, sometimes use _____,
and rarely use _____. (You can choose from the following alternative or write
down other brands than these)

- | | | | | |
|------------|------------|-----------------|-------------|-------------|
| A. L'Oreal | B. Lancôme | C. SK-II | D. Aupres | E. Olay |
| F. Laneige | G. Avon | H. Herborist | I. Shiseido | J. Skinfood |
| K. Nivea | L. Marykay | M. Estee Lauder | N. DHC | O. Vichy |
| P. ETUDE | Q. Pond's | R. Clinique | S. Lumene | T. INOHERB |

11. Please mark your opinion on the statements below by circling the right alternative: (1 = Strongly disagree / 2 = disagree / 3 = neutral / 4 = agree / 5 = Strongly agree)

A brand image always creates my loyalty to stick to a one brand.

1 2 3 4 5

Cheapest cosmetic products are as good as expensive.

1 2 3 4 5

The only guaranty of quality is a recognizable brand.

1 2 3 4 5

Promotion or advertisement always influences my intention towards a particular brand.

1 2 3 4 5

I always buy the same brands out of habit.

1 2 3 4 5

12. If you try a new cosmetic brand, how important would you consider the following criteria?
(1- unimportant 2- fairly unimportant 3- neither unimportant nor important 4- somewhat
important 5- very important)

Technological innovation	1	2	3	4	5
Special offer or promotion	1	2	3	4	5
Attractive packaging	1	2	3	4	5
Brand credibility	1	2	3	4	5
Advice from in-store consultant	1	2	3	4	5
Evaluation on the internet	1	2	3	4	5
Brand I've seen advertised on TV	1	2	3	4	5
Brand I've seen advertised on magazine	1	2	3	4	5
Price	1	2	3	4	5

3 BRAND AWARENESS AND BRAND IMAGE OF SKINFOOD

13. What do you know about the cosmetic brand SKINFOOD?

- A. I have never heard of it before this survey.
- B. I have heard of it but I have no idea what it is all about.
- C. I am familiar with this brand.
- D. I have experience in using it.

14. How do you know this brand? ((Please circle the right choice on a 1 to 5 scale: 1- unimportant 2- fairly unimportant 3-neither unimportant nor important 4-somewhat important 5- very important))

A. TV Advertisement	1	2	3	4	5
B. Magazine	1	2	3	4	5
C. Direct marketing	1	2	3	4	5
D. Promotion (e.g. discount sales, free sample)	1	2	3	4	5
E. Recommendation from friends	1	2	3	4	5
F. Internet	1	2	3	4	5

15. If you are a SKINFOOD user, the reason you chose this brand is: ((Please circle the right

choice on a 1 to 5 scale: 1- unimportant 2- fairly unimportant 3- neither unimportant nor important 4- somewhat important 5- very important)

- | | | | | | |
|-------------------------------------|---|---|---|---|---|
| A. It contains natural ingredients. | 1 | 2 | 3 | 4 | 5 |
| B. It is highly cost effective. | 1 | 2 | 3 | 4 | 5 |
| C. It has beautiful packaging. | 1 | 2 | 3 | 4 | 5 |
| D. Advertisement or promotion. | 1 | 2 | 3 | 4 | 5 |
| E. Other (please specify) : _____ | | | | | |

16. If you have experience in using SKINFOOD, Which product you have tried before?

17. What is your feeling about SKINFOOD in general? Do you like it?

18. Please give some suggestions on the brand SKINFOOD.

THANK YOU VERY MUCH FOR YOUR RESPONSES!